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Rabin rejects Arafat's claim to Jerusalem

BATHSEVA TSUR and news agencies

JERUSALEM will remain the capital of the Jewish people forever, Prime Minister Yitzhak Rabin said last night. He was responding to a statement by PLO leader Yasser Arafat earlier in the day in which he claimed Jerusalem was the capital of Palestine.

"Some one in Tunisia [Yasser Arafat] said something today. So he spoke," Rabin said. "You see Jerusalem is united. It is our capital, the capital of the Jewish people and will remain this way forever," Rabin told the conference of Jewish National Fund leaders in Jerusalem.

"We are determined to try to bring about a solution with Jordan, Syria, and Lebanon, too," Rabin added.

"I believe that every Israeli prime minister and government must try to end this 100-year conflict between us and our neighbors, who must share the same piece of land - Eretz Yisrael. That is why we are currently trying, at this stage, to maintain peaceful coexistence as an interim stage until a permanent solution is reached, as we will try to achieve peace with other Arab states in the future, like the agreement reached with Egypt 15 years ago," Rabin said.

The prime minister said that throughout history the Jews have practiced religious tolerance. "Let's not forget that when we are the sovereign, we must take into account the right of free access to Christians and Muslims to their shrines, not as slaves who become kings, but in accordance with our tradition of tolerance for others."

Meanwhile, Arafat is seeking US help to free money pledged by international donors to help launch self-rule in the Gaza Strip and Jericho.

The Palestinian news agency Wafa said yesterday in Tunis that Arafat had made the request in a letter to US President Bill Clinton, urging him to intervene.

Several members of the Palestinian Authority will come to the autonomous regions next week, a Palestinian source said yesterday in Cairo. No exact date was given for when the group, including Nabil Sha'ath and Ahmed Khoury, would arrive.

Several hurt in Ramallah clashes

Jerusalem Post Staff

SOLDIERS shot and wounded seven stone-throwing youths during clashes which erupted in Ramallah yesterday in response to Tuesday's killing of two Hamas activists, the IDF said. Arab sources placed the wounded at 12. Residents in the town and Jerusalem observed a strike yesterday in protest of the killing in A-Ram of two men, one of whom is believed responsible for murdering General Security Service agent Noam Cohen.

One of the slain killers, Abdel Monem Naji, 25, who lived in Amari camp, south of Ramallah, had declared in a home video that he had killed Cohen. Mourners gathered near Naji's home yesterday. His brother, Mohammed Naji, said Abdel Monem Naji had known Cohen or members of the team he worked with from interrogations. "He knew exactly what they did," he said.

The other man killed was Zuhair Fara from A-Ram, who was also a member of Izzadin Kassam, the armed wing of Hamas. The IDF lifted the closure yesterday on A-Ram which was imposed Tuesday after residents violently protested the killings.

In another development, an anonymous caller to Israel Radio's Arabic service threatened that Hamas would soon carry out three attacks in the Jerusalem area in revenge for Tuesday's killings.



Ephraim Sneh, center, is congratulated by Labor MKs Amir Peretz (left) and Eli Dayan (right) before being sworn in as health minister yesterday, after a long Knesset debate on the crisis in Kupat Holim Clalit ending in a 45-19 vote in favor of his appointment. Prime Minister Yitzhak Rabin described Sneh as 'the right man for the right job at the right time.' Sneh, who convened his first meeting in his new capacity a few hours later, told the Knesset he accepted the job with 'joy and trembling, mainly trembling. The health system is of vital importance and it is in very, very dire straits.'

Rabin castigates Haberfeld for not giving up position to Ramon

MICHAEL YUDELMAN

THE Histadrut leadership yesterday removed its threat to launch a general strike, after the cabinet deferred its decision on whether to put Kupat Holim Clalit into receivership.

At yesterday's cabinet session, Prime Minister Yitzhak Rabin sharply attacked outgoing Histadrut Secretary-General Haim Haberfeld for not yielding his seat to secretary-general-designate MK Haim Ramon.

"There are those who should move aside but instead they are holding onto their seat by force. They are acting irresponsibly," Rabin said.

abandoning the Histadrut and Kupat Holim," Rabin was quoted as saying.

At the same time, however, Rabin warned Ramon's people that if they try to pass a bill which harms the Histadrut, he will immediately appoint a receiver for Kupat Holim.

Haberfeld demanded from his hospital bed yesterday that the Treasury continue to transfer funds to Kupat Holim for another three months, until the national health insurance bill passes. Haberfeld stressed it is the government's duty to help with the recovery plan of the health fund, which serves 70 percent of the population.

Commenting on the premier's personal attack on him, Haberfeld said that if Rabin indeed said those things "then I regret it. I'm not holding onto anything. There is a certain order and procedure in the government, as Rabin knows, and things will be done in that order. Rabin probably has coalition problems which bother him

and I'm sorry if he made remarks which he shouldn't have."

Rabin reacted angrily when he heard that MK Amir Peretz, head of the Knesset sub-committee preparing the health insurance bill, intended to bring the bill in the original Ramon version - which lacks a clause crucial to the Histadrut's survival - to the committee today for approval. He threatened Peretz, of Ramon's maverick faction, that if he submits the bill in that form, he would see to it that a receiver is immediately appointed for Kupat Holim. "I will not let the health insurance law harm the Histadrut," Rabin said.

Deri pressing Ram to form coalition with Likud

Rabin summons Labor team to discuss stalemate in negotiations

MICHAEL YUDELMAN

BLAMING Labor for the stalemate in the Histadrut coalition negotiations, Shas leader MK Aryeh Deri is urging Ram - the Ramon-Meretz-Shas list - to form a coalition in the Histadrut with the Likud.

In a meeting of the list's steering committee this week, Deri told MKs Haim Ramon, Haim Oron, and other leaders that since Labor is obviously stalling, Ram should form a coalition with the Likud and only then let Labor join it from an inferior position.

Labor's Histadrut leadership and Ram accuse each other of the stalemate in the talks, frozen since last week.

Prime Minister Yitzhak Rabin summoned the members of Labor's negotiating team to an urgent meeting today in his Tel Aviv bureau over the stalemate in the coalition talks with Ram.

Rabin leaders are furious at the Histadrut Executive's decision Sunday to postpone its planned transfer of power is to take place. Ramon deplored the delay in his taking over and accused Labor of stalling, "even at the price of Kupat Holim's collapse." Ramon called on Rabin to "intervene, as

meeting today, due to outgoing Secretary-General Haim Haberfeld's hospitalization for a foot operation. The meeting was to have set the date for the Histadrut convention, at which the official

Labor chairman, in this blatant violation of the decisions of Labor's central committee and political bureau, to hand over the power smoothly and swiftly. This is a violation of the voters' decision.

Histadrut treasurer Yisraelovitz resigns

MICHAEL YUDELMAN

HISTADRUT Treasurer Artyur Yisraelovitz yesterday became the first Histadrut senior official to resign since MK Haim Ramon's landslide victory in the Histadrut elections.

Yisraelovitz served in this position for the past eight-and-a-half years. Ramon's candidate for this post is MK Haim Oron, No. 2 on his list, who has not yet decided whether he wants the job or not. In the past Oron said he was not interested in it.

transfer of power is to take place. Ramon deplored the delay in his taking over and accused Labor of stalling, "even at the price of Kupat Holim's collapse." Ramon called on Rabin to "intervene, as

Moreover, now, with the crisis in Kupat Holim, it is urgent that I assume office as soon as possible. It's also important to shorten the time of uncertainty for thousands of Histadrut workers who do not

know what their fate will be under the new management."

Ram leaders charged Labor with playing "transparent tricks" intended to delay handing over the Histadrut reins to Ramon and his people, noting that Labor's putting off the talks is in contradiction to the decisions made by Labor Secretary-General Nissim Zivili, Ram's Oron, and Acting Histadrut Secretary-General Meir Gati.

Labor Histadrut faction sources stressed that there is no political motivation behind the decision to postpone the meeting of the executive. The move was intended merely to enable Haberfeld to recover from his operation and chair the meeting.

As for the coalition talks, Labor sources accused Ram leaders of suspending them by demanding that first a date for the convention be set and then the labor council agreements with the Likud be canceled.

Ethiopian government says aliya of Jews is over

BATHSEVA TSUR

ETHIOPIA has informed Israel that, from its point of view, the aliya of Ethiopian Jews has ended. Channel 1 reported last night.

The message was reportedly conveyed to Israel's ambassador to Addis Ababa, Ori Noy, in a recent meeting with the chief of Ethiopia's police.

Noy had met with the police chief to request that the number of Falash Mura allowed to come to Israel every month be raised from the current 80 to 200.

At the same time, Noy said that Israel was interested in beefing up the Interior Ministry team which periodically visits Ethiopia to check the validity of those wanting to come, the report said.

According to documents shown on the broadcast, the police chief said that, from the Ethiopian point of view, the aliya had ended and the whole issue of the Falash Mura was a "fabrication." The citizens of the entire north of Ethiopia,

Most ministers are against appointing Clalit receiver

JOSE ROSENFELD and EVELYN GORDON

THE cabinet yesterday agreed to wait until Sunday to decide whether to appoint a temporary receiver for Kupat Holim Clalit.

Most ministers opposed the proposal, even though it is the cheapest alternative for the government. According to Finance Minister Avraham Shohat, should a temporary receiver to rescue the health fund be appointed, it will cost the government NIS 600 million for the period of 1994 through 1995, while if the Histadrut meets its obligations, the government will have to spend NIS 1.5 billion.

A receiver would be cheaper, since Clalit's huge debt payments would be frozen, explained Shohat. He said he opposes continuing the flow of money into the health fund without significant reforms, since the large infusions of cash would cut into the state budget and force the government to pull back from its priorities.

If the Histadrut continues failing to meet its obligations, it will cost the government NIS 1.95b. to keep the fund running in 1994 and 1995.

Prime Minister Yitzhak Rabin seemed to be the only one swayed by that argument yesterday. An official in the Prime Minister's Office confirmed that money is one of Rabin's primary worries regarding any solution.

"I am not willing to be the prime minister who transfers NIS 1.2 billion [to Kupat Holim] instead of investing money in education and infrastructure," Rabin said, according to the official.

Shohat criticized Histadrut secretary-general designate Haim Ramon for refusing to agree to deposit in escrow 11 percent of the Koor shares it owns - worth some NIS 350m. - which would allow the health fund to run for two months with an additional NIS 55m. in state funds. Under this proposal, Ramon would have the option of trading them with any other asset he wants when he takes over.

Ramon rejected Shohat's charge that he is contributing to the problem by refusing to sell Histadrut assets. "I don't object to selling assets," he said. "But I can't sell assets when I'm not secretary-general of the Histadrut. What kind of an impudent claim is this?"

Ramon also vigorously opposes the receivership idea. "The voters gave me a mandate to lead the Histadrut, including Kupat Holim," he said. "Give me a chance... If I don't succeed in reinvestigating Kupat Holim in a month or two, then I won't object to a receiver."

Ramon blasted Shohat for raising the receivership idea at this particular time. "The minister's goal is to get an

alibi for what he did for the last six months. [When] he preferred the interests of Haim Haberfeld to the interests of Kupat Holim," he charged. "He's trying to obscure his responsibility for what happened to Kupat Holim over the past six months... Suddenly, after the elections, he can no longer live with a NIS 300 million debt that has been around since 1993?"

Shohat denied the charge that he was hiding the health fund's economic condition, saying it has been public knowledge since the beginning of the year that Clalit's budget for this year was based on a deficit of over a billion shekels.

Justice Minister David Liba'i said the "ethical" move would be to wait several months and give Ramon a chance to solve the problem. Just as the government refrained from intervening in Kupat Holim before the Histadrut elec-



tions, he said, it should refrain from doing so now, to avoid the impression that the government "snatched Kupat Holim from [Ramon]."

Any successful solution will require the Histadrut's cooperation, he said.

Labor and Social Affairs Minister Ora Namir said a necessary precondition for any solution is allowing Ramon to take the reins of the Histadrut.

"[Otherwise], the government will fall on this issue," she said. "The Labor Party in the Histadrut has already fallen over this issue [health]... If [the transfer of power] hasn't been completed by the third week of June at the latest, there is no chance of getting any plan, including the appointment of a receiver, off the ground."

"You're demanding responsibility from us without giving us authority," agreed Absorption Minister Yair Tzaban (Meretz).

Asked why he thinks his colleagues did not support appointing a temporary receiver, Shohat said, "deep in their heart they know it will be unavoidable."

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Taba casino hopes to cash in on Israeli gamblers

HAIM SHAPIRO and news agencies

THE manager of the Taba Hilton Hotel said last night that the hotel is already planning to expand its casino, even before it opens to the public tonight.

Over a hundred invited guests, most from the Israeli tourism industry, inaugurated the new casino last night.

"It's great to have a casino at last in the area, but too bad we have to cross a border to enjoy it," said Doron Mizrahi, a 28-year-old from Eilat.

Neil Mathieson, the general manager of the hotel, said: "Since there is already an exceptional in-

terest, it seems that within a short period of time, the existing casino will not suffice."

To limit the number of gamblers, the casino is charging an entry fee of \$20 on weekends and \$10 on weekdays. The casino currently can handle 120 gamblers.

With nearly 6,000 rooms and high occupancy year-round, Eilat is now expected to provide the bulk of the clientele to the casino, located in the only hotel in the area on the Egyptian side.

Aharon Dekel, chairman of the Eilat Hoteliers' Association, said Israel should quickly legalize gambling to keep some of the \$300 million spent by Israelis bettors abroad in the country.

Although the Tourism Ministry is considering plans for a casino in Eilat, the idea is opposed by religious leaders concerned about possible violations of Shabbat and criminologists who argue gambling will increase violent crime.

The Taba casino includes slot machines as well as roulette and blackjack tables where the minimum bet is \$5.

Labor Party tax idea would help fund Clalit

THE Labor Party faction yesterday appointed a committee headed by the new Health Minister, Ephraim Sneh, to draft a proposal for a 'human services' tax aimed at preserving its 70-year agreement with the Mizrahi movement and withstanding the scrutiny of the High Court of Justice.

The committee promised to come up with a proposal by Monday and demanded that Amir Peretz, chairman of the special Knesset committee appointed to draft a national health insurance bill, postpone a meeting he had scheduled for today to vote on an earlier version of the tax.

Peretz had hoped that the committee would approve the bill at a special meeting in Tel Aviv, today, and that he would be able to present it to the plenum for final approval on Monday.

When Peretz resisted Labor's request for a few more days, a red-faced Rabin banged on the table and shouted: "If it's so urgent to pass the national health insurance bill, then it's just as urgent to appoint a receiver for Kupat Holim." Rabin was referring to the demands of MK Haim Ramon, head of the Ram Histadrut list to which Peretz belongs, that the government take no immediate action to bail Kupat Holim Clalit out of its financial crisis and give Ramon time to take over the Histadrut.

Justice Minister David Liba'i, a member of the committee, which also includes Sneh, Ramon, Peretz, Nissim Zvilli and Eli Dayan, promised to complete its work in three or four days, thus enabling Peretz's committee to vote on the final draft of the bill on Monday.

DAN IZENBERG

Ramon and Peretz oppose the 'human service' tax because it will force all Kupat Holim Clalit members to pay an 0.8 percent tax to the Histadrut regardless of whether they belong to the labor federation. Instead, they have proposed legislating a 'workers organization' tax which would only be paid by health fund members who belong to the Histadrut or similar organizations.

According to Ramon, the national health insurance bill would not go into effect until the 'workers organization' tax law is passed.

However, Liba'i told the Labor faction there were serious doubts about whether the proposed tax was constitutional.

The Labor faction endorsed the decades-long agreement be-

tween the Labor movement and the National Religious Party's parent organization, the Mizrahi movement, whereby a portion of the health fee paid by NRP members to Kupat Holim Clalit is siphoned off to the party. The arrangement is similar to the one between Clalit and its owner, the Histadrut.

"We must complete the legislation and honor our commitments," said Rabin. "A political party's credibility is its most important asset."

"I don't have to subsidize Zeevulun Hammer's chauffeur," retorted Ramon.

Likud Party chairman Benjamin Netanyahu said his party would oppose both the 'human service' tax and the 'workers organization' tax, describing both of them as "theft taxes." He accused Ramon of having promised



to abolish political taxes and now, since his election as Histadrut secretary-general, going back on his promise.

Clalit hospitals start to feel supply shortages

JUDY SIEGEL

KUPAT Holim Clalit hospitals yesterday began to feel shortages of vital supplies, ranging from pacemakers and solutions for dialysis to artificial knee joints and regular medications.

Other hospitals, such as Hadassah and Shaare Zedek in Jerusalem, owned neither by the government, are concerned that without insurance payments from Clalit, they will find themselves in severe financial distress and unable to pay salaries.

"Like any other hospital whose salaries are not paid by the government, we will be in severe trouble if we don't get money from Clalit, which owes us NIS30 million," said Shaare Zedek director-general Prof. Jonathan Halevy. Clalit director-general Avigdor Kaplan, who last week announced his intention to resign over the lack of state aid to the beleaguered health fund, said a real crisis in medical services can be expected in two to four days. "We are not yet asking patients to buy their own drugs and equipment," he said.

Only on Sunday will the cabinet hold its next discussion of the Kupat Holim imbroglio. As for its debts to suppliers of services, Kaplan said that hospitals like Hadassah and Shaare Zedek are capable of managing for a while.

"What I'm really worried about are smaller organizations and companies - and there are hundreds of them - that we are unable to pay at this time," he said.

Kaplan told *The Jerusalem Post* that there was no possibility that the health fund would shut down, as the country could not manage without its services. "The question is how long it will take before we get help and how much damage will be done that will be hard to fix," he said.

Commenting on reports that thousands of Clalit members have abandoned it in the past few days,

Kaplan said he hopes they "won't try to hitch up to another wagon that is not necessarily in better shape. After the crisis is over, they will see that there was no reason to leave us."

Kupat Holim Meuhedet, with 430,000 members, reported yesterday that during the past few days, applications for membership have "quadrupled." The health fund is willing to expand and admit up to 70,000 new members by the end of this year, but not many more, a spokesman said, "because we don't want to jeopardize our high level of health services or to be like a factory."

The second largest insurer, Maccabi, said it had received more than the average number of inquiries about joining, but that "it doesn't happen so fast. We expect to see increased demand during the coming weeks and months." Maccabi, with 885,000 members, is willing to add up to 120,000 more by the end of 1993. It, however, "is not trying to steal" desperate members of Clalit.

Meanwhile, the Israel Pharmacists Association said its members, the private pharmacies, are selling medications to Clalit members before. Association chairman Av Raz conceded that there were a handful of pharmacists who naturally feared that they wouldn't be paid by Clalit on time or at all. "Who am I to judge them? There is no law that forces people to sell goods for nothing," he said.

However, the association declared that Clalit has paid all its April bills on time. If any individual member of Clalit has trouble getting drugs in exchange for a health fund prescription, Raz said, he can turn to the association for assistance. Raz called on the government to solve the crisis and calm Clalit members' and private pharmacists' fears.

Army may investigate 'unwarranted' release of Palestinians

ALON PINKAS

THE IDF may investigate the freeing of several dozen Palestinian prisoners who did not meet the necessary criteria for release.

The army denied yesterday that an inquiry commission will be established, saying that unwarranted releases may have occurred only in one or two cases.

The Palestinian prisoners were part of the group freed in early May, immediately following the signing of the Cairo agreement. Some of them had apparently been involved in violent activities including terror attacks, offenses which Israel repeatedly said would disqualify perpetrators of the right to be released.

Among those who may have slipped by the qualification process are Fatah, Popular Front and Democratic Front prisoners the army and the General Security Service describe as "former dangerous terrorists."

Members of a Fatah cell from Tulkarm involved in a Tel Aviv attack in which a boobytrapped coffee can exploded, wounding several Israelis, were part of the group freed.

Additionally, the army will investigate why several prisoners convicted of violent attacks after September 13, 1993 were released. That date, when the Gaza and Jericho accord was signed in Washington, has been designated by Israel as the cutoff date beyond which any terror attack would disqualify its perpetrator for pardon.

GSS and army intelligence officers responsible for the prisoner release procedure will be questioned. The army is also exploring legal grounds for incarcerating those mistakenly released. Based on precedents, re-imprisonment is possible, but army sources estimate that political considerations may ultimately block such a step.

Arkia gets okay for international flights from Haifa

YIGAL KOTZER

ARKIA airlines has received permission from the Airports Authority to fly abroad from Haifa's airport to destinations in Turkey and Cyprus.

The authority, therefore, will transform the Haifa airport into an international airport, establishing passport and customs control stations.

However, the Haifa airport has not yet received permission to open duty free shops.

Arkia also plans to operate a service which will turn the Haifa airport into a point of departure for travelers headed to other destinations abroad. Travelers will be able to go through passport control in Haifa, and then continue on to Ben-Gurion Airport, where they can transfer directly to their international flights. In the first phase, this service will only be offered to El Al passengers.

We announce the passing of our dear mother,

ETHEL EICHLER

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Haifa, June, 1994



Chief of Staff Lt.-Gen. Ehud Barak inspects mobile artillery yesterday during a visit with artillery and paratrooper units stationed in the Golan Heights. (IDF Spokesman)

US pledges to continue efforts to reach Israeli-Syria peace

HILLEL KUTTLER

WASHINGTON

THE US is disputing the content of remarks attributed to Prime Minister Yitzhak Rabin that the American effort to advance the Israeli-Syrian talks has been "exhausted."

"Our role hasn't changed," a State Department official said.

"It remains very clear for us that the Israeli government wants the secretary and our government to remain very much engaged."

"It's our understanding that Prime Minister Rabin's remarks were not reflected accurately," he added. "At the request of both parties, the US remains engaged in efforts to achieve progress in the negotiations between Israel and Syria. The Israeli government has made it publicly and privately clear it welcomes the US role."

Secretary of State Warren Christopher visited the region twice last month in an effort to help broker a Jerusalem-Damascus deal. Until recently, he had been considering a further effort this month but, sources here now say that will not happen.

One reason, they say, is that his week-long European trip that begins today - including NATO meetings and events commemorating the 50th anniversary of D-Day - is quite enough time for him to be away from the US.

Christopher told *The Washington Post* yesterday that although no date has yet been set

for him to return to the region, "I certainly don't feel the US role is exhausted."

Both parties "want me to come back and continue the US mediation effort."

Meanwhile, the US denied a recent Lebanese newspaper report that the administration is seeking custody over Mustafa Dirani, the Hizbullah leader kidnapped by Israel last month.

"The report is incorrect. The US has not requested the extradition of Mr. Dirani," the US official said yesterday.

The Lebanese article claimed the US had asked Israel to extradite Dirani in order to investigate his alleged role in the kidnapping and killing in Lebanon in 1989 of US Marine colonel William Higgins.

Government: Palestinian autonomy institutions only in Jericho, Gaza

DAN IZENBERG

THE Palestinians will have to get special permission to establish institutions in Jerusalem of a political, national or governmental nature, Environment Minister Yossi Sarid said yesterday.

Addressing the Knesset on behalf of Prime Minister Yitzhak Rabin, Sarid added that PLO Chairman Yasser Arafat would have to reiterate his dedication to accord with Israel in word and deed. At the same time, he praised the Palestinian Police for their work in Gaza and Jericho and said there had been much disinformation spread about the situation in the autonomous areas.

Sarid's long speech was frequently interrupted by opposition heckling. At one point, he told Likud faction chairman Moshe Katsav to "shut up."

Taking indirect swipes at Rabin

and Foreign Minister Shimon Peres, Sarid said he did not dismiss Arafat's recent declarations. "I don't think we can respond to these statements by saying 'so what.' And I don't think we can respond by saying 'bubla' [Rabin's army slang response]."

He then issued the following declaration on behalf of the government:

"First, the institutions of the Palestinian Authority will be located in Gaza and Jericho, and Gaza and Jericho only."

"Second, organized activity of a political or quasi-political nature, or of a national or governmental, or quasi-governmental nature, will have to receive in every instance the permission of the proper authorities. Every case will be

examined by us on its own merits in accordance with the agreement. According to the Declaration of Principles, the activities of these institutions are permitted in the areas of the Palestinian Authority in Gaza and Jericho and nowhere else."

"Third, there is only one Jerusalem police force: responsibility for security and public order belongs only to the Israeli Police and any activity by any other quasi-police body is absolutely forbidden and will not be tolerated."

Sarid said the situation on the ground in the autonomous areas "is surprisingly good. Every local and foreign observer who finds himself now in Gaza and Jericho is amazed at the seriousness of Palestinian Police, and the way they take to their work and perform their jobs seriously."

Israel releases jailed Amal gunman - Beirut

DAVID RUDGE

A MEMBER of the Amal Shi'ite movement captured after being wounded in a clash with IDF troops in south Lebanon was yesterday released from jail in Israel after spending six years in prison, according to reports from Lebanon.

The reports said Ismail Daoud Hussein was handed over to representatives of the International Committee of the Red Cross at the Rosh Hanikra border crossing.

Hussein was involved in a clash with IDF troops near the Beaufort castle in 1988 and was captured after being wounded. Two other gunmen who had been with him were killed in the clash.

Meanwhile, Radio Beirut reported yesterday that the IDF is building a new stronghold south east of Taloussa village, in the central sector of the security zone.

The radio report said local residents had complained about the move because the position was being constructed on farming land and the area had been closed off.

NEWS IN BRIEF

Driver in fatal accident was driving illegally

An investigation into the accident Monday morning near Tamra in which seven people were killed has revealed that the driver of the van was an 18-year-old who did not have a license to drive a vehicle carrying more than seven passengers, police said yesterday. Police believe that the driver, who suffered serious injuries in the crash, fell asleep at the wheel and lost control of the vehicle, crashing head-on into a truck.

IDF, TIPH combine to save Hebron boy

Coordination between the army and the international observer force in Hebron yesterday saved the life of a boy bitten by a snake in his bed, the observer force spokesman said.

The incident happened at 6 a.m. when the father of five-year-old Alla Adel Ali ran to a military checkpoint near the Hebron market carrying his unconscious son. The boy, he said, had been bitten in the throat by a poisonous snake.

A sergeant at the checkpoint radioed to the headquarters of the Temporary International Presence in Hebron (TIPH) which radioed a patrol in the area. The patrol picked up the boy and rushed him to Alia Hospital, where doctors said he would have died if he had not been treated promptly. TIPH spokesman Bjarno Sorensen said.

Driver's license to include photograph

From yesterday, all those acquiring new driver's licenses will be given the Transport Ministry's new computerized cards with a photograph attached. Veteran drivers who renew their license are to receive a temporary license valid for 90 days, until they go to one of the licensing offices or a special photo center where they can exchange the temporary license for the new computerized card.

Winning cards

In yesterday's Mifal Hapayis daily Chance card draw, the lucky cards were the ace of spades, ace of hearts, jack of diamonds and seven of clubs.

The Winning Numbers in the Hadassah Draw held on May 31, 1994, are as listed below:

- | | |
|-----------|-----------|
| 1. 3505 | 11. 4341 |
| 2. 0802 | 12. 16142 |
| 3. 19715 | 13. 15006 |
| 4. 6536 | 14. 20010 |
| 5. 13247 | 15. 2823 |
| 6. 29150 | 16. 15689 |
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| 9. 11092 | 19. 0585 |
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9:30 p.m. - The Far East		9:30 p.m. - The Far East

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Kishrei Te'ufa - No. 1 to the North & East

Clinton leaves for European trips

TOM RAUM
WASHINGTON

PRESIDENT Clinton is embarking on the first of two trips to Europe that aides hope will help him burnish his foreign-policy leadership image. It may take a lot of polish.

As he goes to Italy, England and France to help commemorate D-Day, Clinton must wrestle with the fact that the Bosnian crisis has eroded US influence among traditional European allies.

The failure of the United States to sway events in two major crisis spots — North Korea and Haiti — further underscores this nation's uncertain capacity in world current events.

And Clinton is viewed with skepticism and even some suspicion by many European leaders.

His speeches over the coming days honoring the valor and sacrifices of allied troops in the Normandy invasion, this century's largest battle, will serve as a reminder of how relatively clear-cut things were in June 1944 — and how confused and complicated they are now.

D-Day, seen through the lens of 50 years, comes across as a series of powerful images: an armada of more than 5,000 US, British and Canadian ships headed to liberate Europe from Adolf Hitler's grasp, beaches being stormed, cliffs being scaled and a common evil to fight.

Compare that to the fragmented peacekeeping efforts of the post-Cold War world, where objectives are unclear and where simmering ethnic and religious rivalries threaten allied resolve almost daily.

And where even old US allies have a hard time finding common ground.

Of course, the D-Day trip is mainly ceremonial. But as such, it's laden with important symbolism that may or may not work to Clinton's advantage.

"There clearly is a feeling in western Europe that the Clinton administration has been very indecisive," said James A. Cooney, a Harvard professor who is an authority on US-European security issues.

"Europeans still want an American role," he said. "They are all



Pigeons fly over a giant map of Normandy explaining D-Day operations, which is on display at the Saint Lazare station in Paris. (AP)

waiting for a clear vision. They would welcome any kind of leadership."

To spell out his vision of the world, the president is using the eight-day D-Day trip that began yesterday, along with July's Group of Seven economic summit in Naples and a series of commencement addresses.

It's an attempt to answer charges by critics that his foreign policy is adrift and operating on an ad-hoc basis.

In a commencement address at the US Naval Academy last week, Clinton voiced his frustrations in dealing with the post-Cold War world in general and with Bosnia in particular.

He said the United States has a clear national interest in making sure that the conflict in the former Yugoslavia does not spread to other parts of Europe and in helping to "stop the slaughter of innocents."

But he also said there were clear limits to what the United States could do in bloody ethnic and religious conflicts. "It took decades of patience and strength and resolve to prevail in the Cold War," he said. "We must often be willing to pay the price of time."

Clinton has shifted on Bosnia between aggressive statements and words of retreat. The British and French, who unlike the United States have troops on the

ground in Bosnia, have been confused by what they see as mixed US signals.

Furthermore, Clinton's open courting of China, Japan and other Asian markets — including the convening last year of an Asian-Pacific summit — has further increased suspicions toward him in Europe.

With the Cold War winding down, George Bush had no difficulty galvanizing support worldwide to counter Saddam Hussein's invasion in Kuwait — a clear threat to Western interests, a war with a well-defined villain.

But the new euphoria toward the United Nations that came with the Persian Gulf War has all but

evaporated in the difficulties encountered by peacekeeping missions in Somalia, Rwanda and, of course, Bosnia.

That's Clinton's legacy — and one more reason why he has such a hard time looking decisive on foreign policy.

Comparisons will abound between Clinton and previous US presidents as he makes his European speeches.

But he's got one big thing going for him: The major nations of the world are at peace and he doesn't have to preside over a conflict that will take more than a quarter-million American lives, as did World War II. (AP)

Non-aligned ministers argue over role of movement

CAIRO (Reuters) — Non-aligned foreign ministers argued yesterday over the future direction of their movement in the post-Cold War world with reformers squaring off against those seeking to preserve it as an anti-Western forum.

Pakistan's Foreign Minister said the 109-nation Non-Aligned Movement (NAM) was doomed to irrelevance unless it could solve inter-state disputes like that pitting Pakistan against India over Kashmir, which he termed "the Bosnia of Asia".

In an attempt to speed up proceedings at the four-day foreign ministers' meeting, organisers dropped the standard practice of set-piece speeches in favour of free-for-all closed sessions dealing with specific themes.

Diplomats said the main theme so far had been the future of the movement, born in the 1960s to group countries anxious to stay out of the East-West Cold War, but looking for a role now the superpower confrontation is over.

They said some countries, led by Cuba, wanted to keep the NAM as a critic of the big powers, but others were keen to restructure it in what their opponents said amounted to dismantling the grouping.

Egyptian President Hosni Mubarak sided with the reformers when he opened the meeting, telling ministers unless the movement developed a new strategy of partnership with the rich North it would be dismissed as an empty sham.

Pakistani Foreign Minister Sardar Asf Ali said his country wanted the NAM to create a mechanism for solving inter-state problems that could help to settle the bitter feud over the border area of Kashmir.

"Kashmir is today the Bosnia of Asia. There are half a million (Indian) troops who are killing 100 people every day, burning houses, raping women," Ali told reporters.

"We want NAM to develop a mechanism for solving inter-NAM state problems... Without this, NAM has no relevance at all."

There was no immediate reaction from India, whose Minister of State for External Affairs, R.L. Bhatia, did not mention Kashmir in an address to the meeting.

Maltese Foreign Minister Guido De Marco said the future of the NAM was as a champion of Third World interests on the international stage.

But he disputed the view of some other delegates that the movement could be turned into an economic grouping, saying the prosperity levels of its far-flung members were too disparate.

"The Non-Aligned Movement will remain primarily a political concept," De Marco told a news conference. "I doubt how much we can change the movement from being a political movement into being an economic region."

De Marco also called on Mediterranean countries to meet for discussions on security, saying religious extremism, poverty and population explosions were turning the area into "a time-bomb with a fast-shortening fuse".

The ministers were due later to discuss disarmament and reform of the United Nations.

The non-aligned countries are agreed they want to see the UN Security Council expanded to allow for greater Third World representation. But conference spokesman Nabil Fahmy said they were unlikely to propose any specific candidates. R

Iranians expel British diplomat

LONDON (Reuters) — Britain said yesterday that Iran had ordered one of its diplomats to leave Tehran in retaliation for the expulsion of an Iranian envoy accused of trying to distort British policy on Bosnia.

The latest spat signals a worsening in relations between the two countries which have been rocky since 1989 when the late Ayatollah Khomeini issued a death sentence on British author Salman Rushdie for blaspheming Islam in *The Satanic Verses*.

A Foreign Office spokesman said the deputy head of mission in Tehran, Hamish Cowell, had been asked to leave. He said the Foreign Office could now confirm that Britain had asked Iran to withdraw its first secretary last week.

"This was because members of the Iranian embassy had been involved in attempting to distribute forged documents purporting to show that Britain's policy in Bosnia was directed against the Muslims," the spokesman said.

On the Iranian move, the spokesman said: "This was an entirely unjustified Iranian reaction to an FCO (Foreign and Commonwealth Office) decision."

Diplomats said that Britain had kept last week's expulsion of the Iranian diplomat secret to avoid publicity which could further strain bilateral relations.

There have been a series of rows between the two countries since Iran's 1979 Islamic revolution. Iran broke off ties over Rushdie in 1989, and relations resumed at charge d'affaires level in 1990.

Kuwaiti man sentenced for enslaving housekeeper

BOSTON (AP) — A Kuwaiti who threatened to kill his housekeeper if she left his apartment and fed her only one piece of bread a day was sentenced yesterday to one year and one day in prison.

Talal Alzanki, a 31-year-old graduate student from Kuwait, must also pay \$13,415 in back wages to Vasantha Gedara, 27,

from Sri Lanka, the US District Court ruled.

Judge Rya Zoebel said she gave Alzanki less than the recommended 18- to 24-month sentence because his 2-year-old son has a chronic illness.

Alzanki has been under house arrest since his March 14 conviction on enslavement charges.

SS officer Otto Remer arrested in Spain

MADRID (Reuters) — Otto Remer, a former Nazi lieutenant general and security chief of Adolf Hitler's general barracks, was arrested on a German extradition order at Malaga Airport in southern Spain yesterday, Spanish police said.

The 81-year-old former SS officer had been sentenced to 22 months prison in Germany for inciting racial hatred but left Germany before he was due to begin serving his term two months ago.

A German court found he had publicly denied the existence of the Holocaust and claimed that Jews had lied and invented the mass killings and gas chambers in Nazi concentration camps.

Spain's public prosecutor has asked that Remer's imprisonment order be dropped and that he be freed without bail on grounds that Spain does not have a similar anti-Nazi law.

Remer has been seeking political asylum in Spain. Germany issued the arrest request through Interpol last month.

Meanwhile, a Spanish army general was shot dead as he left his Madrid home yesterday morning in what officials saw as a new attempt by Basque separatists of ETA to grab headlines in the run-up to European Parliament elections.

General Juan Jose Hernandez Rovira, 58, who was widowed with seven children, was shot in the head, neck and chest at point blank range by a man and a woman. He was taken to hospital but was pronounced dead on arrival.

About an hour later a car believed to have been used by the killers to make their escape at the height of the morning rush hour exploded in a nearby street.

No one was hurt in the blast because police had cleared the area, which houses two children's nurseries.



Police look for clues around a getaway car that was blown up by suspected Basque terrorists after they shot dead a Spanish Brigadier-General yesterday in Madrid. (AP)

Although ETA (Basque Homeland and Freedom) made no immediate claim of responsibility for the attack, police said they were working on the assumption the Basques were behind it.

ETA have regularly targeted members of the security forces in a 25-year campaign of violence for an independent Basque state. About 800 people have been killed in related incidents.

Hernandez Rovira was the 17th soldier of general officer rank killed by ETA since then prime

minister Admiral Luis Carrero Blanco was assassinated by a big bomb in Madrid in 1973.

The latest killing was ETA's third attack in the past nine days. Spain is currently in the throes of a particularly hard-fought political campaign ahead of the voting for Spain's European Parliament seats on June 12.

Fallout from a series of corruption scandals has given the conservative Popular Party a chance of defeating the ruling Socialists in a poll at national level for the first

time in their history.

On May 23 an army engineer lieutenant died in Madrid when a bomb destroyed his car, and on Sunday three people were seriously injured by parcel bombs left on beaches near the Basque port of Bilbao.

Interior and Justice Minister Juan Alberto Belloch said after the Madrid bomb that such attacks "are the accustomed calling card of ETA during this kind of 'civic event'".

Fighting rages on in north Bosnia

SARAJEVO (AP) — Fighting raged in northern Bosnia yesterday as mediators tried to line up the Muslim-led government for talks on a cease-fire.

The United Nations also reported renewed purges by Bosnian Serbs intent on driving Muslims and Croats from their stronghold of Banja Luka.

On Tuesday, UN peacekeepers guarding the airport in the north-eastern city of Tuzla came under Serb artillery fire and immediately called for close air support from NATO fighter-bombers overhead. UN spokesman Maj. Rob Annink told reporters yesterday.

But the request was turned down when Bosnian Serb leader Radovan Karadzic unexpectedly telephoned the UN command saying: "This is a mistake. I will stop this shelling."

A Serb liaison officer will now be stationed at the air base in the northeastern Bosnian city, he said.

Serbs had long demanded a presence at the airport, guarded by UN peacekeepers, to ensure that government forces don't use it as a conduit. Annink said the government was not consulted about the move.

British UN peacekeepers at Bugojno in central Bosnia requested a flyover by NATO planes late Tuesday after two artillery shells hit their base, a UN source said. That request was also denied.

Also yesterday, Russian special envoy Vitaly Churkin met Bosnian government leaders in an attempt to persuade them to attend cease-fire talks today in Geneva. Bosnian government participation remains uncertain.

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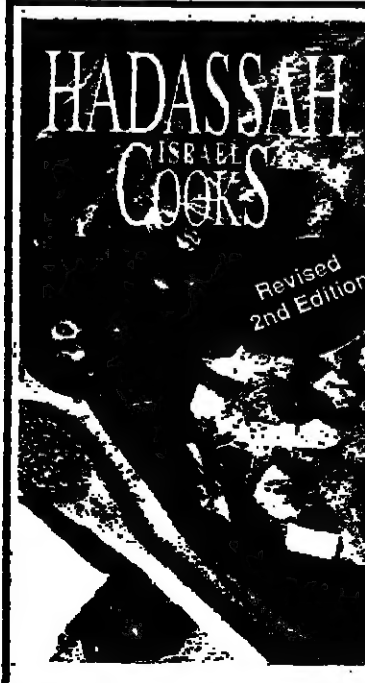
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UN resumes Rwanda relief

NAIROBI (AP) — UN workers resumed deliveries of food to thousands of stranded civilians in Rwanda's capital yesterday despite a mortar duel between the government and rebels that dropped rounds all over Kigali.

A UN team sent to investigate reports of 500 people massacred in Red Cross camps 35 km southwest of Kigali found only a few bodies. But UN spokesman Mottar Gueye said the team confirmed people are taken from the camps each day and killed.

Nearly two months of fighting and ethnic savagery has claimed an estimated 200,000 lives in Rwanda. Most of the victims were minority Tutsis murdered by the militias of extremist Hutu political parties.

The butchering of civilians by the militias has been accompanied by a renewed fighting between the mostly Tutsi Rwandan Patriotic Front rebel movement and the Hutu-dominated government army. The civil war has claimed far fewer lives than ethnic violence.

Relief operations and the evacuation of some displaced people from Kigali were halted Tuesday after a peacekeeper in a UN vehicle was killed by mortar fire.

Gueye said scaled back deliveries of food to more than 10,000 people living under UN protection in the capital resumed yesterday. But he said the evacuation will not proceed until the UN receives assurances of safe conduct from both sides.

The 450-man UN force is trying to evacuate people under their protection in Kigali. Kabia

said armed UN convoys have moved to safety fewer than 2,000 of the people sheltered in hotels, churches, hospitals and the national stadium.

A preliminary investigation indicated the shell that killed the UN peacekeeper — a Senegalese captain — and stopped the operation was fired by the rebels.

Rebel and army gunners duelled with mortars again overnight and early yesterday.

The Tutsi and the army have fought over control of the capital for nearly two months. The insurgents have captured much of the city, but the army continues to put up stiff resistance from at least three strongholds in the city.

Fighting and the ethnic massacres began April 7, a day after President Juvenal Habyarimana and the president of Burundi, both Hutus, were killed in a mysterious plane crash in Kigali.

Since then the rebels, who have vowed to fight until the massacres end, have captured most of north and eastern Rwanda. They also are advancing on Gitearama, which is the seat of the interim government.

Rebels overran a key army stronghold at Nyanza, 32 km south of Gitearama, earlier this week and reportedly are still pushing toward the city from the south.

The United Nations has protested to the warring factions about the atrocities in Rwanda. There also is new evidence that massacres have continued in government controlled areas of western and southern Rwanda.



South Yemeni soldiers take a rest on their tank near Aden yesterday. Northern warplanes bombed targets west of Aden, the first north Yemeni air strikes in the region since hostilities began a month ago. (Reuters)

The Yemeni conflict — old-fashioned war

JONATHAN WRIGHT
ON THE ADEN PLAIN

NORTHERN Yemeni warplanes bombed targets west of the southern stronghold of Aden, the first northern air raid on the city since the first few days of the month-old civil war.

But the raid did not hit the only refinery west of Aden or the power station. "I believe the bombs fell east of the refinery. Nothing hit and we are working as usual," said a refinery official.

Yemeni soldiers, with bravado and astonishing carelessness, are fighting an old-fashioned, low-technology war in which most weapons miss their targets and prisoners go free after a brief lecture.

Senior commanders work out of ramshackle offices that rarely have maps, wall-charts or even telephones.

Under bombardment the soldiers on the front carry on washing, chatting or chewing the stimulant leaf qat with an insouciance that astounds foreign visitors.

They do not wear flak jackets, dig foxholes in the desert or take any other simple precautions against injury or death.

Lieutenants occasionally tell them it might be a good idea to disperse, just in case a single artillery shell wipes them all out, but it is not long before they reassemble.

They have a blind faith in the inability of the enemy to hit them, saying the soldiers on the other side are just a demoralised bunch of amateurs firing at random.

As in most wars, it takes a lot of flying metal to do any damage. On Monday, for example, southern gunners rearranged the desert landscape northeast of Aden but the northern ambulances had no calls for their services.

On the front lines southern warplanes drop bombs from high altitudes, putting a little fear into the souls of the northerners but not unduly disrupting their routine.

Northern gunners fire back with antiquated ZSU-23/4 anti-aircraft guns — Palestinians used to fire them with miserable effect against Israeli planes in Lebanon.

The only radar installations sighted in the war so far were those captured by the northern army from their southern rivals last week in the southeastern province of Shabwa.

Fortunately the combat zones are thinly populated and most residents have the good sense to move out of the way before battle commences. The damage to buildings is minimal.

Northern Planning Minister Abdelkarim al-Iryani said last week that the northern army had lost 500 men killed and 1,700 injured in the war, far fewer than in previous Yemeni conflicts.

Most of these casualties came in the first few days, before the front lines stabilised. The soldiers mainly fight by the seat of their pants, with only the vaguest sense of the distances and directions on the battlefield.

What one soldier says is two km another may describe as 10 km. Given a map, few know which way up to hold it.

Even when radios are available, it can take a while for an order to get through. Reporters heard one commander repeatedly order a Katyusha rocket salvo by radio — 15 minutes later the rockets were still sitting in the

launcher. Most northern soldiers wear uniforms with no indication of rank. In the relations between officers and their men, there is little of the formality other armies think essential for discipline.

Yesterday a corporal lounged behind the desk of the chief of staff of the Amalika brigade in the town of Zinjibar, took out a plastic bag of qat and added a few more leaves to the wad in his cheek.

When an officer came in, he just stood up and sat elsewhere, without a salute or sign of deference.

Travelling around with this army can be unnerving.

Apart from the winding mountain roads, negotiated at high speed by drivers who may not have slept for 24 hours, there are the terrifying visits to ammunition dumps abandoned by retreating southern troops.

Northern soldiers go in with lit cigarettes, pull fuses out of broken boxes and pick up mortar bombs like checking fruit at a market. Or they take a few live rounds as souvenirs and put them in the glovebox of the jeep.

Travel by helicopter, though quicker and less uncomfortable than by road, holds its own terrors. The machine lurches from side to side through gaps in the mountains and the engine makes inexplicable noises that suggest imminent disintegration.

So far the level of hatred between the two sides appears to be low. When the north captured 150 southerners at Ataq last week, the commander said his men just gave them a talk and let them go home — with their Kalashnikov rifles.

(Reuters)

N. Korea presses on with reactor discharge

VIENNA (Reuters) — North Korea is pressing ahead with the discharge of spent fuel from its suspect nuclear reactor and the process is now quite advanced, the International Atomic Energy Agency (IAEA) said yesterday.

The agency was awaiting North Korea's response to IAEA proposals on how it can still comply "at this late stage" with measures allowing IAEA inspectors to sample spent fuel rods and determine their history, it said.

"They're going at a good speed. The process is quite advanced," spokesman Hans Meyer said. He did not say how many of the Yongbyon's reactor's 8,000 fuel rods had already been removed.

The UN nuclear safeguards agency has warned that if North Korea removes the fuel core from the reactor without permitting certain specific inspection steps, including the selection, storage and sampling of 300 rods, it will be unable to verify that no plutonium has been siphoned off to make nuclear bombs.

A negative report by the agency's board of governors next week would add to pressure at the United Nations for punitive action against North Korea, including possible economic sanctions.

The IAEA yesterday said it had advised North Korea of "technical options which might still at this late stage of discharge of fuel from the reactor be viable to preserve the agency's ability to verify the history of the core."

"We are waiting for a response," Meyer said.

North Korea's envoy to the Vienna-based IAEA said that although the process of unloading and refuelling the reactor was going ahead, North Korean engineers had set aside 40 fuel rods for eventual inspection.

Yun Ho Jin said the rods were removed under the supervision of IAEA automatic cameras — which take stills pictures at regular intervals — and carefully labelled to show which part of the core they came from.

The IAEA repeated that it wants its own inspectors to select the rods for sampling.

Crown Heights pursues lawsuit

EMILY TORGAN
NEW YORK

THE Crown Heights Jewish community plans to submit a proposal to civil lawyers for New York City to settle its lawsuit over the riots that shook the city three years ago today.

As reported by *The Daily News*, Franklin Snitow, counsel for the Lubavitcher Hasidim, said any settlement must include both financial compensation and an agreement about police procedures to prevent such an event from recurring.

"What we intend to do," Snitow told *The Jerusalem Post*, "is to make a settlement demand, which is not unusual in civil proceedings. It is clearly premature to say whether there will or will not be a settlement."

The riots took place when, in the summer of 1991, a Jewish driver accidentally struck and killed 7-year-old Gavin Cato, a black child.

Four nights of violence ensued, during which the Jewish community suffered attacks by elements of the black community. On one of those nights Hasidic scholar Yankel Rosenbaum was murdered.

The resulting lawsuit by the Crown Heights Jewish Community, which names former New York City mayor David Dinkins, former New York City Police Commissioner Lee Brown, and New York City as defendants, has become the subject of bitter political contention.

As reported by *The Daily News*, Former Mayor David Dinkins' administration received scathing criticism for the way it dealt with the incident, and Dinkins's bid for re-election was severely damaged by the riot and its repercussions.

Current Mayor Rudolph Giuliani, who enjoys close ties to the Hasidic community, sided with the Hasidim as a mayoral candidate by agreeing that the four nights of violence were a " pogrom" and by attacking the Dinkins administration for arguing that those victimized by the violence had no legally enforceable right to protection.

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Additional details from Tel. 02-317428, 02-317418. No undertaking is given to accept the lowest or any bid.

Rostenkowski's constituents take indictment in stride

CHICAGO (AP) — To some of the people back home, the things US Rep. Dan Rostenkowski is accused of doing are part of a long Chicago tradition of politicians taking a little extra for themselves and their friends.

"Basically he hasn't done anything any of the other guys haven't done," said Jack Goggin, 49, who voted against Rostenkowski in the March 15 Democratic primary. "He just got caught."

Lana Almgren, jogging with a friend through Wells Park on the city's North Side, shouted, "We're for Danny, all the way!" "He's done nothing different than the rest of them," Almgren said.

Rostenkowski, who was first elected to the US Congress in 1958, came up through an old-style political machine dominated for years by former Mayor Richard Daley, who dispensed favors and patronage with an iron hand.

More recently, the city has seen a host of aldermen, judges, state legislators and other elected officials sent to prison for corruption.

"People in Chicago are a little cynical anyway," said Ron Lustig, a retired 62-year-old contractor who voted for Rostenkowski before and said he would do so again. "A little theft as long as it doesn't hurt them — that's just the way Chicago business works. It's very functional in its own perverse way. It works very well."

Rostenkowski was indicted Tuesday on charges including padding his payroll with ghost workers and using government

money for personal expenses. Prosecutors said he stole nearly \$640,000 over two decades. He automatically loses his post as chairman of the powerful US House of Representatives Ways and Means Committee.

Indignation wasn't entirely absent in Chicago. Some of Rostenkowski's constituents said he should resign.

"This is long overdue," said Richard Bjorklund, a 63-year-old writer who called Rostenkowski a "rotten apple." "He's effective in getting things for his friends."

Stephen Andrews, an 80-year-old retiree and former Rostenkowski supporter, also said the congressman should be thrown out of office.

"He was using the taxpayers' money like he owned the government," Andrews said outside a grocery store on the North Side. "I think we should get the crooks out."

But few people would bet against Rostenkowski in November's election. With a bruising Democratic primary battle behind him, even Rostenkowski's political foes said he'd probably win a 19th term in Congress.

The Republican nominee, Michael Flanagan, has never held office and is virtually unknown. And Rostenkowski's redrawn district, which runs from the well-to-do lakefront through blue-collar ethnic neighborhoods to the northwestern suburbs, is solidly Democratic.

"There may be a lot of people talking against him, but when the election comes around they'll still vote for him," said Richard Noeller, a Chicago transit worker.

Egyptian censors ban 'Schindler's List'

CAIRO (Reuters) — Egyptian censors have banned Steven Spielberg's Oscar-winning film *Schindler's List* because it contains scenes of violence, torture, and nudity, a newspaper reports.

Yesterday's semi-official *Al-Ahram* cited a decision by chief censor Hamdi Sorour which said the film contravened "general order and morality."

Schindler's List tells of the Nazi war profiteer who saved 1,200 Jews from death camps. Egypt is the only Arab country to have a peace treaty and cultural relations with Israel.

Meanwhile, Egypt's only independent English-language newspaper said yesterday it will

suspend publication indefinitely if government censors ban another incoming issue.

The weekly *Middle East Times* is written and edited in Egypt but printed in Greece. It normally appears on Egyptian newsstands on Mondays, but this week's was intercepted and banned. The paper said authorities have prevented four of the last seven issues from entering the country.

A statement from the newspaper's Cairo office suggested that Egyptian authorities' repeated banning of the weekly editions had cost the *Middle East Times* much money that it could not continue in the face of another seizure.

But executives vowed to close rather than give in to government censorship. Censorship officials were not

available for comment. Egyptian officials scrutinize publications entering the country from abroad, but it exercises no official censorship of those printed here.

But government-owned publications and to a degree opposition papers practice self-censorship, avoiding specific subjects or personalities as objects of criticism. Casting aspersions on President Hosni Mubarak by name is taboo.

"We have been losing too much money through banning, and we are not prepared to compromise our independence and integrity," *Middle East Times* publisher Thomas Cromwell said in the statement.

The 11-year-old newspaper has been the focus of government censors' contempt for years but especially since last September.

An edition then published a story and photograph of a man it said prison officials tortured by injecting with human waste into his body.

That edition was banned and the newspaper put under intense scrutiny. Nicholas Pelham, editor of the Egyptian edition, said. The paper even began showing pre-publication proofs of stories to government censors.

Still, the paper has been banned or seriously delayed 13 times since then, Pelham said.

Similar government actions limiting foreign press coverage in general have occurred since early this year.

Foreign reporters frequently have been barred from trials of Moslem extremists accused of anti-government attacks. Western reporters and photographers have been roughed up by Egyptian security forces while covering anti-government demonstrations.

The statement said government censors previously banned *Middle East Times* editions for articles on human rights, Egypt's Islamic opposition, corruption and other issues deemed sensitive to the state. Pelman said censors working out of the Information Ministry gave no reasons for the ban of this week's edition.

But he suggested an article on the imminent defection of a Saudi diplomat to the United States "might have something to do with it."

Censors recently accused the paper of writing articles of "poison wrapped in honey," said Pelman.

The *Middle East Times* is owned by supporters of the Rev. Sun Myung Moon's Unification Church. It is a sister paper of *The Washington Times* in Washington, D.C.

Ports and Railways Authority

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 - Have proven experience of at least five years in the performance of flash butt welding of rails (list of projects executed by the tenderer in the past 5 years is required).
 - Have visited the site of works, whether by himself or through visit organized by the P.R.A., in order to satisfy himself as to the conditions prevailing on site.
 - Submit to the P.R.A. a bank guarantee, drawn in New Israel Shekels on a bank operating in Israel, for the sum representing 10% of his proposal (not including VAT), as a Tender Surety. This guarantee shall be linked to the Consumer Price Index, Table 11 of the Price Statistics Monthly, published by the Israel Central Bureau of Statistics, and will be based on the index known at the date of the Tender. In the event of the Tenderer withdrawing his tender before the expiry of a period of 120 days from the final date of submitting the tender, or failing to sign and deliver the Contract within 30 days, upon his receiving notice of the acceptance of his tender, this sum shall be forfeit to the P.R.A.
- Tenders should be submitted, together with the Tenderer's certificate of registration, as required in Para. 2 (a) above.
- The documents pertaining to this tender are available at the P.R.A.'s Department of Contracts, 74 Patah Tikva Road, Tel Aviv, 12th floor, room No. 1213, from June 6, 1994, for the sum of NIS1,000 (not including VAT), which will not be refunded.
- More information can be obtained by phone or Fax from:

S. Farkman Head of Contract Division
Ports and Railways Authority
74 Patah Tikva Road
Tel Aviv 67215
Israel
Tel. 972-3-5657018
Fax. 972-3-5616541
- Tenders should be submitted, with all requested enclosures, in a sealed envelope, not later than July 3, 1994, 14:00, and be put in the tender box at the P.R.A. Head Office, 74 Derech Patah Tikva Road, Tel Aviv, 6th floor.
- The P.R.A. is not obliged to accept the lowest or any proposal.

Ports and Railways Authority Head Office

NOTICE OF PROPOSED PURCHASE

1. The Ports and Railways Authority - Israel (P.R.A.), in accordance with its obligations with regard to tendering procedures under the International Agreement on Government Procurement, GATT, wishes to obtain quotations for the supply of the following equipment:

Item	Tender No.	Description	Qty	Add. Opt.
1.1	7240/004	Telescopic Spreader for ISO Containers for Gantry & Stacking Cranes	19	20

- The anticipated order date for the equipment is 1995.
- Manufacturers who wish to submit quotations for the above-mentioned equipment are invited to notify the P.R.A., in writing.
Sole agents will present their credentials as sole agents.
- Preliminary Conditions**
 - Manufacturers must have proven capacity and past experience in the manufacture and supply of the above-mentioned equipment, and must demonstrate the ability to supply the specified equipment on time, and according to the agreed terms and conditions.
 - Manufacturers must also be approved for ISO9002 (or equivalent) standard or be listed for the same.
- Tender documentation and specifications of above-mentioned equipment are available, starting June 5, 1994. All forms and proposals must be submitted in English.
- The P.R.A. is not obligated to purchase any equipment which is offered and may, at any time, revise or cancel its request as to the type and quantity of the equipment it wishes to purchase. Further, the P.R.A. is not obligated to purchase the lowest priced equipment which may be offered by any potential manufacturer.
- The P.R.A. reserves the right to proceed with or discontinue negotiations with any or all potential manufacturers, as specified in the Tender documentation.
- The last date for receiving the Tender Documentation is June 30, 1994.
- The last date to submit the proposals is July 14, 1994.
- The address for receipt of the Tender Documentation and for submitting the proposals is:

Ports and Railways Authority - Israel
Purchasing Division
74 Patah Tikva Road
11th Floor, Room 1125
Tel Aviv 61201, Israel
Fax. 972-3-5620902
Tel. 972-3-5657084
- Proposals by Fax will not be accepted.

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The Clalit receiver proposal

THE opposition of government ministers to Finance Minister Avraham Shohat's proposal to appoint a receiver for Kupat Holim Clalit is understandable. Such an appointment means that, to all intents and purposes, the government will "own" Clalit: it will be in charge of running its services and responsible for its huge debts. To assume such responsibility for a bankrupt, demoralized institution, whose deficit will reach NIS 5 billion by the end of the year, is a step which cannot be taken lightly. Nor are Shohat's promises that the step is merely "temporary" reassuring. Nothing is more permanent than a "temporary" government bureaucracy.

In the short run, then, the Shohat solution would not save the government money. A receiver can attempt to stop waste, force savings, and cut wages. But these measures can prove beneficial only with time, while the threat of a doctors' strike, and ultimately a general strike, is more immediate.

Nor can doubters help wondering about the timing of the proposal. Clalit has been in trouble for years, its rehabilitation program

has been floundering for months, and, unable to pay creditors, it has been threatened with shortages of medicines for many weeks. That the suggestion to appoint a receiver should come precisely in the midst of negotiations for a Histadrut coalition, and before MK Haim Ramon - Shohat's nemesis - takes over as Histadrut secretary-general, is puzzling indeed.

Ramon has claimed he can put Clalit on its feet, separate it from the Histadrut, lead decisive support for his original health insurance bill, and sell Histadrut assets to wipe out the health fund's staggering debts. The Histadrut electorate believed him and voted for him. It is time to give him a chance to prove what he can do. As Prime Minister Yitzhak Rabin put it yesterday, those who have been in charge in the Histadrut must let go and allow the newly elected leadership to take over.

If the decision to appoint a receiver is inescapable, it must be made with Ramon's full participation. Otherwise it will be viewed as a political maneuver, not an economic imperative.

Hot air over Cairo

IF the world ever needs a support group for a gaggle of states that can't run their own affairs, but need to get together in expensive hotels to complain about those that can, it need do no more than rename the Non-Aligned Movement.

This strange organization, currently sitting in Cairo, attracts media attention when it meets, but there are some doubts as to whether it actually exists in between the annual verbal binges. There may be some therapeutic value in a meeting of ministers from a group of countries that have virtually nothing in common beyond some oddly titled umbrella raised over their heads, but it's hard to see what else they achieve. Non-Aligned Movement discussions usually center on what its role is, whether it can survive, and where the next meeting will be.

In the process, the movement manages to demonstrate why many Third World countries remain in the Third World. The "Non-Aligned" are a noisy, fractious, illogical parody of the many failed marxist and Islamic dictators who belong to the movement. They swam in the sea of the Cold War and now are high and dry. "Non-Aligned" supposedly meant independent of the superpower blocs. That meant a nasty little Zionist imperialist state like Israel would never be asked to join, because it was "aligned" with the nasty big imperialist United States. However, "neutral" Cuba was the darling of the organization and once managed to push through a curious resolution that stated "the Soviet Union is the

natural ally of non-alignment."

The first sentence of the news despatch from the Cairo conference yesterday, filed by Reuters chief diplomatic correspondent, succinctly said it all: "Non-aligned foreign ministers argued over the future direction of their movement in the post-Cold War world with reformers squaring off against those seeking to preserve it as an anti-Western forum."

Needless to say, even in these days of new world orders and peace processes, the ritual Israel-bashing session could not be missed. To set the tone, the host country Egypt banned *Schindler's List*, "because of its scenes of torture, violence, and nudity" - concepts unknown in the Non-Aligned world. True to historical form, peace processor Yasser Arafat was there to lambast the Jewish state. The PLO is having problems getting its act together, he said, only because of "Israel's non-commitment to the letter and spirit of the agreement... on Gaza and Jericho."

He accused Prime Minister Yitzhak Rabin of making statements on Jerusalem that violate the agreement. He called on the Non-Aligned movement to rally to the PLO's aid and help it overcome Israeli obstacles. The conference did not raise a whisper about other "statements violating the agreement" - such as those to do with a jihad on Jerusalem and the temporary nature of the peace agreements. With any luck for Israel, Arafat will get his wish and this decrepit organization will leap to his aid. That would really finish off the PLO.



PLO 'insurance policy'

MOSHE ZAK

THE country's Jewish population has doubled since the Six Day War - from 2.25 million to 4.5m. This is something to remember next Sunday, the 27th anniversary of the outbreak of the war.

We might also note the huge increase in the average Israeli's standard of living since 1967, and the growth in average per capita annual income. In 1967, there was a serious economic recession. Why not compare it to the current pattern of growth? And what about the wave of immigration that has flooded the country (Remember that pre-67 joke: "The last one to leave the country, switch off the lights at the airport")?

And yet only a minority will recall how things were on the eve of the Six Day War. Why? Because the country has been brainwashed. One bright summer's day, so the story goes, Israel got up and embarked on a war of conquest, grabbing land that belonged to the Palestinians!

So, to attain peace, Israel must restore those occupied lands to the Palestinians - even though they never were under Palestinian control.

The facts about Egyptian rule in Gaza and Jordanian occupation of Judea and Samaria are indisputable. And still, Arab propaganda has succeeded in disseminating the term "restoration of territories" to the Palestinians among a substantial part of the Jewish population. More than that, some Jews argue that Israel must continue to provide a livelihood for the Palestinians, even after they leave its control.

There were no goldmines in Gaza, no oil wells in Jericho. Israel didn't exploit the territories economically, or impoverish them. In fact, the average per capita income in Gaza under Israeli rule was higher than in Egypt. And Palestinians' standard of living in the so-called West Bank is higher, on average, than in the Jordanian "East Bank."

The argument that Israel's exploitation lay in employing laborers from the territories, is irrational. If working here was that bad for the Palestinians, why is the self-government authority asking Israel to continue employing them, even during the autonomy period?

Israel hasn't satisfied the Palestinians' aspiration for their own state. But neither did Jordan and Egypt, when they ruled the areas. At the PLO's founding congress, held 30 years ago at Jerusalem's Intercontinental Hotel, the orga-

nization's stated goal was the liberation of all Palestine "including the areas under Jordanian sovereignty."

In the years before the Six Day War, when Arab leaders set up a joint military command to prepare for the showdown with Israel, we tried to obtain international agreement to converting the arm-

istice lines into permanent borders. The Arabs urged other countries to refuse to accept the territorial status quo between Israel and its neighbors.

They tried to deny Israel the water it needed, intensifying the siege against it, while Israel was busy trying to open negotiations with them. The USSR was asked to "initiate a meeting along the lines of Tashkent" between Egypt's ruler, Col. Nasser, and Israeli premier Levi Eshkol. Continual requests went out to the US for help in getting direct talks started between Israel and the Arabs.

THOSE WHO shed tears over Yasser Arafat's difficult situation in setting up Palestinian rule in the territories may be surprised to hear that in 1967, he acted to facilitate the occupation of the "West Bank" by Israel.

And not impulsively, but calculatedly - as he explained to his associates on the eve of the war. Arafat planned terrorist strikes against Israel, so that the IDF would be forced to occupy Judea and Samaria; this would enable him to create the basis for a popular war against Israel.

His provocation was partly successful: the terrorist attacks increased tension in the region, drawing the Arab countries into an accelerated confrontation with Israel. But the basis for the "popular war" had to wait another 20 years, until the intifada.

Meanwhile, Arafat was forced to flee the West Bank into Jordan. From there, to save his skin, he fled to Lebanon, from where he

was humiliatingly expelled to Tunis.

When he returns to Jericho this month, with Israel's permission, he will try to present himself as having arrived thanks to "the children of the stones," who overcame the soldiers of the Israel Defense Forces. He will not want to be reminded that his embroiling the Arab states in war with Israel brought disaster to the Arabs.

Arafat is still drunk with the delusion that he has really been victorious over Israel. This intoxication with the belief that he can force an Israeli retreat on all fronts could convince the Arabs that there is no danger of losing territory, even as a result of a war they start.

That kind of "insurance policy" is a sure recipe for new wars.

The agreements on Israel's borders that were in effect on the eve of the Six Day War were much firmer than the wording of the Oslo and Cairo agreements. The Armistice Agreements explicitly said: "No element of the land, sea or air, military or paramilitary forces of either party, including non-regular forces shall commit any warlike or hostile act against the territory under the control of that party."

Yet this didn't prevent terrorist attacks against our borders. And they generated war.

Despite the limited dimensions of that terror, compared to today's strikes, Israel didn't tell the nation that it would have to get used to continuing terrorism. Aware that terror has its own dynamic, that if it wasn't dealt with at the height of its virulence, it would develop into a great danger, Israel didn't say that it would just have to live with terror.

Now that Arab illusions of defeating Israel and dictating terms of surrender have been shattered, the PLO is trying to return the armistice lines back to square one, to a situation that breeds wars. It wants to prove that even its military adventurism brings no loss.

Because of the big lie that Israel conquered the Palestinian state, the PLO believes it will be able to return to the starting point even after losing future conflicts that it instigates. But the fact is there never was such a state.

Should it arise, the only gainers will be warmongers, Palestinian terror chiefs, who deliberately plunged the region into war.

The writer, a veteran journalist, comments on current affairs.

Pack rats

SUSAN REIMER

HE was cleaning out his closet. Poor choice of words. He was moving things around in his closet. Nothing ever actually made its way out. Anyway, my husband was moving things around in his closet, making space for more things that he was not throwing away, when he said: "You know, I have stuff made by companies that don't exist anymore."

He paused and considered. "You know, I have stuff made in countries that don't exist anymore."

What a revelation! Would this be the moment that he realized he was carrying way too much baggage in life? That he needed to lighten his load? Doubt it.

They say women are sentimental collectors. Not in my house. Not my husband. It is I, and just about any woman I know, who sorts and sorts and throws out.

"During the day when they are all gone, I go through the house and collect their junk," my sister says. "I throw it out or take it to Goodwill. Then I deny it at the dinner table."

Her husband works on barges on the river and he buys his work clothes from Goodwill. She's so afraid he is going to go shopping

No woman can come between a man and his junk

one day and actually buy his old clothes back.

A neighbor fellow was a charter subscriber to National Review in 1963 and he has kept every single copy for more than 30 years. Why? I ask.

"After 30 years, I don't need a reason," he says.

"And," he adds, "if I were to discontinue doing it, my wife might have reason to worry about the security of her position. I know she was tiptoeing around when I got rid of the car I'd had for 18 years."

Well she might. They've only been married 16 years. The magazines and the car had more seniority than she.

ANOTHER FRIEND'S husband seems quite incapable of parting with his old running shoes. Instead, he just assigns them a new job description. All 12 pairs.

There are the racing running shoes and the daily workout running shoes," she says, "and the ceremonial running shoes, and the coaching-baseball running shoes, the grass-cutting running shoes and the patio-party running shoes."

The husband of another friend has 40 ball caps. My sister's husband has 165 T-shirts from road races. "We added a third floor to this house because he can't throw anything away," she says.

A Sunfish sailboat had been sitting under our deck since we moved in. Ten years. The mast had rotted and the sails had disintegrated, but the fiberglass hull was in great shape and a neighbor offered us \$600 for it. No sale.

My husband had never sailed the single-handed boat on the raging Chesapeake Bay. It was a relic from his bachelor life and a man-made lake so shallow that you could stand on its cement-covered bottom if you capsized. This is a very cautious guy.

"Rosebud," was all he said when I asked why he would not sell. When you ask them why, they always have good reasons: "I might make something out of it."

"I'm going to wear it when I lose weight."

"It's going to fix it."

"It's still in good shape."

"It's going to be worth something someday," is the reason a friend heard when she told her husband that it was time he threw out the sports magazines he's been saving since the 1950s.

"Everyone in the free world knows the value except me. I guess," she says. "I told him that since we were moving and could use the extra money, it would be a perfect time to sell."

"He looked like an animal caught in my headlights, absolutely haunted. He mumbled something about how it wasn't the right time to sell."

Such separation anxieties. My husband was so morose the day before bulk trash pickup, as he wheeled the old lawn mower ("I was going to fix it") to the curb at my command. But when he returned to add the gas-tank cap, the mower was gone. Bulk trash scavengers had taken the mower in the blink of an eye.

He realized that other men were throwing out their perfectly good junk, too. That night, late, he came to me wearing an old jacket ("It's still in good shape") and a ball cap pulled down over his eyes. "I'm going out there," he announced, setting his jaw. "There is great stuff out there."

The writer is a columnist for the Baltimore Sun.

LETTERS TO THE EDITOR

KNESSET ATTENDANCE

Sir, - We refer to Eli Pollak's op-ed article of May 26, "Numbers talk." We did not claim that "no-body else comes close" to Mayors Olmert and Amur among Likud MKs in missing Knesset no-confidence votes, only that they were among the leaders in this dubious category. Prior to the vote on May 23, Yitzhak Shamir was tied with the two mayors. Since then, Ariel Sharon, has also tied Olmert's score of absences, while Amur has pulled "ahead." Some MKs from other opposition parties have records as bad or worse.

We are well aware of the practice of pairing off that Hagga Elias speaks of. It was the primary reason for our establishing Knesset Watch in the first place. Pairing off originated in order to permit ministers to travel abroad on important national business, in days when there was a consensus that such activity served the national interest. Today there is nothing more damaging to the national in-

terest than this government's conduct of the nation's affairs. Bringing the government down ought to be every opposition member's primary concern. If Shimon Peres and Yossi Beilin had to stick around in Jerusalem to keep the government from falling, they would not be free to go abroad on missions of mayhem. We consider the practice of pairing off unjustifiable at this time, the more so since the government frequently abuses it.

We recognize that Mayor Olmert is a prominent national figure. If he wants to be an MK, however, he ought to do the minimum required to justify his holding one of the opposition's precious seats. Labor MK Shlomo Ben-Ami is mayor of Ma'alot up north, yet he has found time to appear at all but three no-confidence votes.

YITZHAK KLEIN,
Knesset Watch
Ma'aleh Adumim.

BOSNIA'S JEWS

Sir, - On May 10, you published a news brief reporting how the "man responsible for food distribution on the Sarajevo Jewish community" was apparently turned down for open-heart surgery at Sarajevo's Kosevo hospital "because Moslems run that facility."

As a member of Sarajevo's Jewish community, I found the unsubstantiated assertion by Dr. Michael Ehrenfeld of Sheba Hospital at Tel Hashomer that a Bosnian in need of medical attention was turned away because of his religious background highly implausible.

Further investigation into the matter revealed that the patient in question was not correctly identified by the Post article. His real name is Djuro Bozovic. According to a spokesman for the American Jewish Joint Distribution Committee in New York and a representa-

tive of the Jewish community in Zagreb, Croatia, Bozovic, a Sarajevo resident, spent nearly one month at Kosevo hospital before his evacuation.

Surgery was not performed solely because the hospital's facilities are stretched to the limit. Consequently, he was put on a priority list for medical evacuation to Israel, where it was thought the best care would be available.

Bosnian President Alija Izetbegovic has repeatedly said that Jews are considered one of the four pillars of Bosnian culture. This statement is borne out by a near complete absence of antisemitism in Bosnia and Herzegovina, a statement few countries can make.

SVEN ALKALAI,
Ambassador of Bosnia and Herzegovina
Washington, D.C.

THE RELEASE OF SOVIET JEWS

Sir, - Yisrael Medad in his article of April 29, "The battle for Soviet Jews," paid tribute to the activist movements which helped emancipate Soviet Jewry. In addition to those individuals and groups whose loud protestations awakened Jews and others, there were at least two other movements who were acting behind the scenes:

The Lubavitch movement, Habad, helped keep the flame of Judaism alive, even before the 1917 revolution. It maintained a constant supply of items of Jewish heritage to "secret" enclaves of Judaism.

In addition, Dr. Gerald Batiste, a Canadian Jewish oncologist, arranged for North American physicians to examine Soviet Jewish cancer patients and document their illness with the hope that they would be released on compassionate and family reunification grounds. These missions over a number of years made these patients and their families feel that they were not being abandoned, and some of them actually were released.

BERNARD KABAKOW, M.D.
New York.

SMOKING AT WORK

Sir, - Thank you for printing the interesting comments of Prime Minister Rabin (Dan Izenberg, May 3). Prime Minister Rabin is making peace with the Arabs because he does not want a repetition of the 2,800 Israeli dead, which occurred in the Yom Kippur War. It is said that more than 5,000 Israelis die every year due to smoking. This could be reduced if Prime Minister Rabin would sign the Knesset-passed regulation restricting smoking in the workplace.

PETER SINGER
Jerusalem.



Ruth Reib, 77 (left) gets acquainted with 98-year-old Ethel Krakofsky-Beal. They had a lot to talk about: Beal is Reib's mother, and hadn't seen her daughter since giving her up for adoption in 1916. Reib, who lives in Glenview, Illinois, decided to search for her mother, expecting to find a grave, and was shocked to find her mother alive, living just an hour away. (AP)

Loveless and lonely in the capital

DEAR RUTHIE
RUTHIE BLUM



Dear Ruthie,
I am a secular, divorced 46-year-old man. I am tall, good-looking, creative, witty, caring and sensitive. I am also financially secure. I live in Jerusalem and like it here, but do not know where to meet women.
In Tel Aviv, the women in restaurants and cafes at least look back when I make eye contact. Here, they seem to want to avoid contact at all costs. In Jerusalem, if you don't have a lot of friends, you're condemned to a lonely existence. Those who do have friends seem to use them in order to avoid meeting new people.
How does a man like me survive in a city without opportunities to meet women? Do I have to move to Tel Aviv in order to find someone to talk to?

Longing for Love Jerusalem

Dear Longing,
All the available women I know in Jerusalem have a similar complaint about meeting men. But cheer up: The ones I know in Tel Aviv claim that the only men they meet in public places are either creeps or deeply neurotic. Sostop feeling sorry for yourself and start being more open to the women whose eye contact is subtle rather than flashy.
Second, pay more attention to the possibilities at work or at parties, at the swimming pool, walking the dog or shopping at the supermarket (one that stays open all night is famous for its man-meet-woman possibilities).
Don't be averse to blind dates. If your list of attributes is even partly accurate, you shouldn't have any trouble getting "fixed up." Nor should you have any problem finding someone through a personal ad.

Dear Ruthie,
I am a professional in a popular field. My friends have always come to me for free advice, and it's never bothered me before, probably because the advice was given in brief snatches.
But one friend has started picking my brain regularly. When he began, he said he intended to pay. Months have passed, much work has been done, but no money has been received.
Letters should be addressed to: "Dear Ruthie," POB 81, 91000 Jerusalem. (Ruthie regrets not being able to guarantee publication of every letter, but will answer every letter received.)

Rhodes is again on the map of budget-conscious Israelis

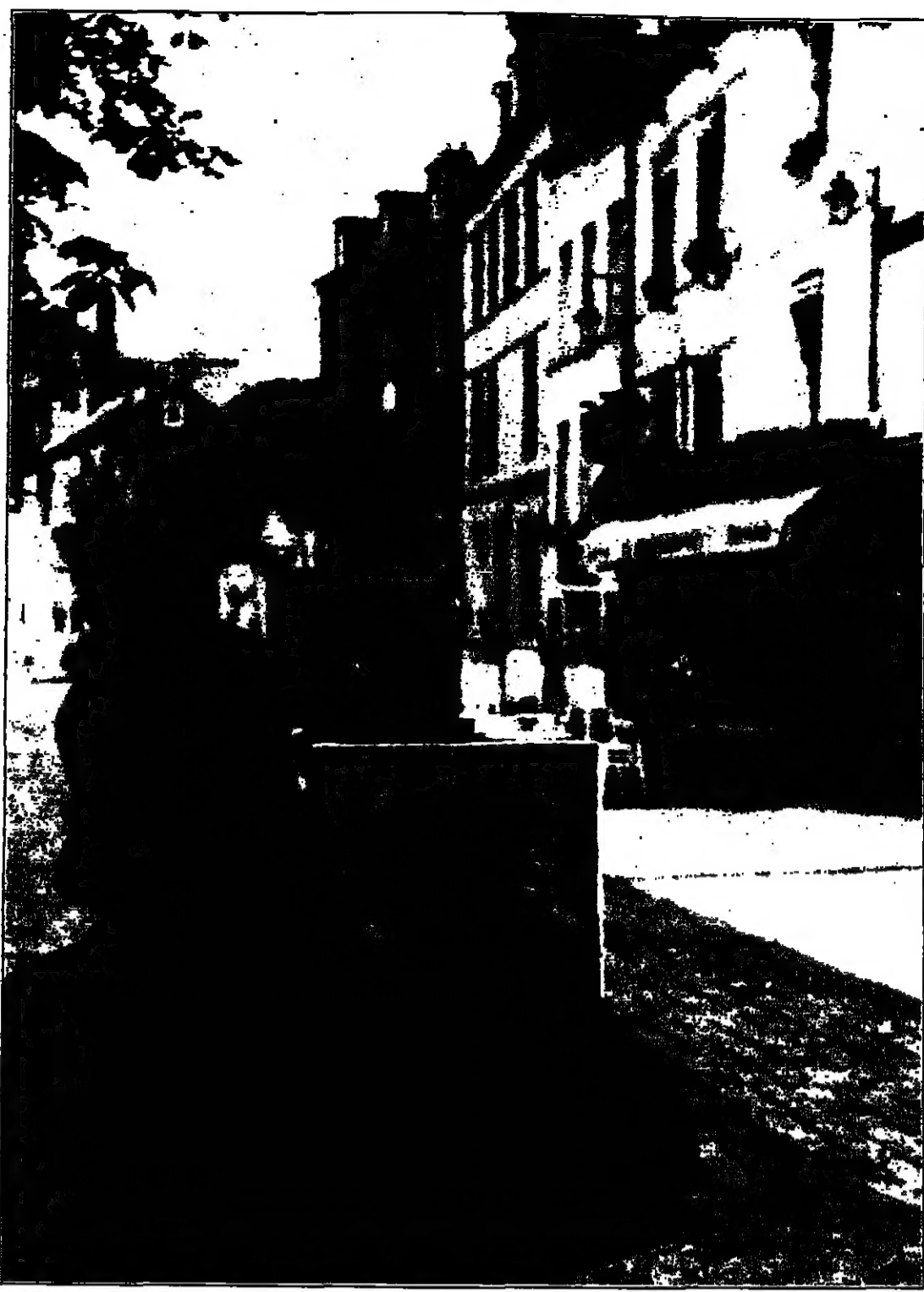
TRAVEL TIPS
HAIM SHAPIRO

RHODES, once one of the most popular destinations for Israelis, is again on the vacation map. Dieneshaus is offering a seven-night package from \$424, including airfare, hotel and breakfast.
For travelers who want to explore Central Europe, Dieneshaus is offering a flight to Bratislava, the capital of Slovakia, and a three-night stay in either Vienna, Budapest or Prague, for \$616.

TWA, in conjunction with Alamo Rent-A-Car, is offering passengers to the US a free car for two days, on condition that they rent the car for at least three days. The one-day rental costs from \$19 to \$31, depending on US location.

IBERIA has inaugurated a weekly flight between Tel Aviv and Malaga. Flights leave Ben-Gurion Airport at 2:20 a.m. on Friday, arriving in Malaga at 7:10. The return flight leaves Malaga at 7 p.m. on Thursday and arrives at 12:55 a.m.

TOWER AIR has announced that all its flights between Tel Aviv and New York will be nonstop. If a



An artist captures a scene in Honfleur, home of early Impressionism. (C. Reynolds/Los Angeles Times)

Honfleur, a painter's haven

TRAVEL
CHRISTOPHER REYNOLDS

Here's my plan. When this life ends, and the authorities ask whose shoes I'd like to fill next, I'll remember the calm water of Honfleur's tiny Old Dock, the dignity of its five-story facades, the stylish traffic in its boat slips, the 17th-century bricks and beams that dominate its narrow side streets, and the seaport that emerges when these elements overlap.
Then I'll give the authorities my answer: Eric Boudet de Dramard. Eric Boudet de Dramard is a retired Frenchman and oil painter I found on the waterfront at Honfleur, a town of 8,000 on France's Normandy coast, near the mouth of the Seine, about a 90-minute drive from Paris. It's where many of the Impressionists came in the 19th century, and it is one of the most picturesque towns in Western civilization.
Dramard, 61, has been painting here for about 20 years. He sets up his easel and spends hours tracing on canvas the wind-blown sails, the geometry of the harbor, the aged buildings and their rippling mirror images. Every once in a while, a visitor will interrupt him to offer several hundred francs for one of his paintings, which he'll take. They'll chat a bit, and then he'll go back to the canvas, the rippling water, the drying nets....
And then, in the middle of all this, Dramard will complain. "Seventy galleries now," he'll growl, nodding toward the art works in windows all down the street. "Before, there were three." And then he'll resolve to drive out the next day to gray, industrial Le Havre, where the fishermen are more genuine.
Maybe, given enough time, I would complain, too. Like San Francisco's waterfront, Honfleur's poses at least as much as it works. But that's why all these wonderful restaurants and galleries have alighted here (though Dramard's estimate of 70 seemed a bit high). It's also why the buildings are so well restored. In the outer harbor, 20 yards beyond the scores of Channel-crossing English pleasure craft along the Old Dock, there is some honest work getting done. Their ranks may have thinned, but

When fog cloaked the hills at night

BOOKS
JAMES O. CLIFFORD



AUTHOR Dashiell Hammett, who hauled the detective story out of genteel drawing rooms and into the mean streets, died just right when he was born around this time 100 years ago.
Mystery writer Linda Grant says now is when readers begin stocking up on books for vacation, and Hammett will undoubtedly be on many shopping lists, since such classics as *The Maltese Falcon*, *The Dain Curse*, *The Glass Key*, *Red Harvest* and *The Thin Man* are required reading for mystery fans.

Hammett entered this world in Great Mills, Maryland, described as "just a spot in the road" by Lois Corvelli, the reference librarian for St. Mary's County, Maryland. "Some distant relatives still live here, but there's nothing planned that I know of to mark the occasion," she said about the anniversary of Hammett's birth.
The event may go unnoticed there, but it certainly won't in San Francisco, where Hammett was first published and wrote most of his novels.
Grant and fellow members of the Mystery Writers of America have devoted an entire issue of *Mystery Week Magazine* to Hammett. They've also held Hammett panel discussions and a walking tour of the many spots in San Francisco associated with the author.

Remembering Hammett is a minor industry in his adopted city. Don Herron, appropriately clad in trench coat and snap-brim hat, led similar treks for 18 years.
Now semi-retired, Herron took small groups to places where Hammett lived or worked and to the haunts given a life of their own in his books.

A must is Burritt Street, where a bronze plaque has been erected. It sums up in one sentence why the alley is the most popular Hammett site in San Francisco: "On approximately this spot Miles Archer, partner of Sam Spade, was done in by Brigid O'Shaughnessy."
There's also John's Grill, a well-known eatery since 1908, whose most famous meal existed only on paper. In his search for the elusive falcon, Spade takes time to order "chops, baked potato and sliced tomatoes" at John's.

Now packed with Hammett memorabilia, John's, where the phone number is 986-DASH, is a mecca for his fans.
Many people are lured to the tours by the movie adaptations of Hammett's books, said Herron. "Everybody's seen the movies," he said. "Hammett made it in all media. He had radio shows. All were successful. The only thing I know of that flopped was a Nick and Nora musical that bombed."
Herron, author of *The Literary World of San Francisco and Its*

The spirit of mystery writer Dashiell Hammett lives on in San Francisco, where most of his stories are set. (AP)

Environ, rates Hammett's San Francisco as "one of the great literary treatments of a city."

He places it in the same category as Joyce's Dublin or Dickens' London "for its evocation of place and time, the days in the 1920s when night-fog cloaked the hills and a certain fat man was afoot."

That may seem like hyperbole, but Herron's praise is added to a long list of kudos, including Raymond Chandler's view that Hammett "wrote scenes that seemed never to have been written before."

Earlier detective novels often were refined and bloodless, with suspects gathered in the mansion drawing room to hear the sleuth expound logic and exclaim: "The butler did it."
Sure, there were some tough-guy gumshoes in the pulp magazines of the 1920s where Hammett, who died in 1961, got his start. But Hammett gave them long-lasting life in his books.

Hammett, along with Chandler, established "the tradition many of us write out of today, a subgenre that is enjoying a second golden age," said Grant, a Berkeley author whose most recent novel is *A Woman's Place*.
But things change a great deal, if modern plots devised by many San Francisco Bay area writers are an indication.

Grant's book involved "sexual harassment at a software company. William Babula, a teacher at Sonoma State University, has his character, San Francisco private eye Jeremiah St. John, on the "trail of nine cats liberated from a university experiment by an animal rights group."
And, of course, there's Susan Dunlap of Albany, billed as "one of President Bill Clinton's favorite mystery writers." In *Time Expired*, she delves into a campaign to humiliate meter maids that gets out of hand. (AP)

Darkly engaging stories from a generation ago

BOOKS
CHARLES SOLOMON

I MARRIED A DEAD MAN by Cornell Woolrich. New York, Penguin. 154 pp. \$6.99.

REAR WINDOW AND OTHER STORIES by Cornell Woolrich. New York, Penguin. 169 pp. \$6.99.

OUT of print for over a decade, both *I Married a Dead Man* and *Rear Window* and *Other Stories* will acquaint a new generation of readers with the bitterly ironic work of one of the masters of "noir" detective fiction.
In *Rear Window*, a man who stares out a window realizes a murder has been committed; his efforts to prove his discovery lead to a deadly game of cat and mouse. In the more intense novel, *I Married a Dead Man*, the narra-

tor finds herself down on her luck: Woolrich describes her as "A left-over, marked-down doll, with no bright ribbons or tissue wrappings.... A doll with no donor or recipient. A doll no one bothered to claim."

Mistaken for the bride of an accident victim, she finds love and luxury for the first time in her life, only to have this artificial paradise threatened by the specter of her past. Readers who believe the noir genre began and ended with Dashiell Hammett and Philip Marlowe are in for a darkly engaging surprise. (Los Angeles Times)



Today at the festival

JERUSALEM THEATER
Sherover: Marie Chomard - dance, 4 p.m.
Sherover: Bill T. Jones/Arnie Zane - dance, 9:30 p.m.
Henry Crown: Jerusalem Symphony & Justus Franz, 8 p.m.
Rebecca Crown: Blues guitarist Clem Clempson, 10:30 p.m.
(ICC) BINYENI HA'UMA
Laterna Magika - multimedia, 8:30 p.m.
LIBERTY BELL GARDEN
Circus-Oz - tent, 6 p.m.
HAIFA
Haifa Theater: Vinski, Ukrainian National Ballet, 8:30 p.m.
Tickets are available for most performances: Jerusalem Theater (02) 610011; fax orders (02) 662153.

DR. RUTH'S ENCYCLOPEDIA OF SEX



Edited and introduced by Dr. Ruth Westheimer, this encyclopedia addresses all aspects of sexuality - from the most basic biological information to psychological, cultural, social, legal and religious concerns. Over 250 up-to-date articles in A-Z format are contributed by over 60 foremost researchers and practitioners. Each entry and topic is written with clarity and sensitivity in the open-minded style Dr. Ruth is known for. Over 100 illustrations. Also includes a glossary, slang glossary, bibliography and cross-index. Intended for use and reference by all ages. Hardcover, 319 pp. Continuum.
JP Price NIS 72.00

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Please send me Dr. Ruth's Encyclopedia of Sex. Enclosed is my check for NIS 72.00, payable to The Jerusalem Post. Credit card orders accepted by phone.
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Aryeh Shalev's timely and detailed study of Israel's requirements for a peaceful settlement with Syria. It outlines the history of Israeli-Syrian border problems and peace negotiations, and describes the security, topographic, territorial, settlement, demographic, legal and regional problems involved in a settlement. It then offers a formula for interim and final security and peace arrangements with Syria. Study no. 24, published by the Jaffee Center for Studies, Tel Aviv University. Softcover, 228 pp.
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Q Also by Aryeh Shalev: The Israel-Syria Armistice Regime 1949-55. Study no. 21 JCSS, 1994.
JP Price NIS 48.00

Close encounters for the video-inclined

OFF THE SHELF
MARTHA MESELS

It is rewarding to encounter a locally produced animated children's video cassette that doesn't insult youngsters' intelligence and which adults can enjoy watching too.

Shirim G'dolim L'khanim ("big songs for little people") is a showpiece for the talents of new immigrant animators, most of them from the former Soviet Union. The cassette was produced at Anima Studios in Tel Aviv for Classikalet's distribution label.

Each segment is done by a different artist or group of artists to illustrate one of a dozen popular Hebrew songs, sung by such big-name performers as Rita, Riki Gal, Nurit Galron and Michina. The entire cassette is highly professional, and covers a wide variety of animation styles, from Disneyesque to line drawings.

As with most children's videos, there are ads at the beginning—this time, for the Strauss Dairy's tiny cups of fruit-flavored white cheese, called Gamadim ("dwarfs"). In addition, however, each song is introduced by talking animated fruits which resemble those on the Gamadim cups.

Despite all this not-so-subliminal advertising, the cassette costs NIS 59.90 at book, record and toy shops.

There is also an NTSC version, identical in content, but suitable for playing on North American VCRs. The overseas version, aimed at Israelis living abroad, sells for NIS 69.90, mainly at the Steimatzky chain and at Ben-Gurion Airport shops.

DISAPPOINTING BY comparison are Classikalet's new classical music videos for children. Two cassettes called *Musikaf* were recorded from the Channel 2 television program of that name. The brief musical selections, performed by the Ra'anana Symphonette Orchestra, are delightful. However, much of the accompanying banter, antics and dancing is amateurish and detracts from the music.

Each 50-minute *Musikaf* cassette costs NIS 48.

One is subtitled *Saviv La'olam* ("around the world"); the other is *Havot Ve-tza'azim* ("animals and toys"). The latter includes snippets of such all-time favorites as Prokofiev's "Peter and the Wolf," Saint-Saens' "Carnival of the Animals" and Tchaikovsky's "Swan Lake." There must be a more elegant way to introduce children to these.



Youngsters can practice being photographers with the imported Fisher-Price children's camera (left); Keter Plastic's do-it-yourself children's shelves are available in bright colors and are easy to assemble.



Gil Dornitzavski's transparent tank with criss-cross ribbon fastenings beats the heat for Close Up.

If it's wispy, wear it

FLAIR

GREER FAY CASHMAN

MOST of this summer's fashions are so transparent they look as if they've come straight from the boudoir. The sheerest of fabrics are used for flyaway coats, floating tunics, fluid pants, wispy skirts, even swimwear.

Some garments are so diaphanous as to leave nothing to the imagination. Others are layered, blocked or textured. Laces, macramés, loosely-stitched crocheted fabrics and printed chiffons and organzas seem initially more modest, but tease the senses.

Much of Hagara's extensive, new eye-catching collection is in a series of transparent fabrics, mostly stark black or white, softened by layering. Mixed prints create intriguing light-and-shadow effects.

Hagara's fabrics are generally very sheer, while Mondy uses slightly heavier and less transparent, though by no means opaque, fabrics.

Chantal Thomas is much more daring, teaming a see-through lace bra with micro-mini skirt and hip-length jacket. And Gil Dornitzavski's transparent tank with criss-cross ribbon fastenings, worn over shorts, looks more like a nightgown.

Some designers are showing nothing but transparent fabrics, which makes life tough for religious clients and those whose bodies are less than perfect. The solution is to buy a stretch lace bodysuit delicate enough to harmonize with the rest of the ensemble, yet heavy enough to hide what's underneath.

YOUNG CHILDREN can take real photos with a newly imported, brightly colored Fisher-Price camera. Meant for ages five and up, this kiddie camera has a double viewfinder to allow the user to look at the image with both eyes open. It also has two handles to help small hands steady the camera.

Imported by Clal Toys, the camera costs NIS 120. It uses ordinary film, and comes with an initial roll of 24 exposures.

THE LOCAL knitwear firm, Srigel Levano (Levanon Knitwear Ltd.), holds exclusive rights throughout Europe for use of the Disney Babies images on baby clothes, in sizes 0 to 3 years.

These items retail for NIS 30 to NIS 60 at the chain stores and at Levano's three direct outlets: at the factory on the outskirts of Petah Tikva (03-934-8777), in Petah Tikva and in Rishon LeZion.

To celebrate its huge supply contract with the Italian chain Frenatal, the Israeli manufacturer has earmarked 1,000 Disney Babies garments to give away to newborns at four hospitals in the center of the country—Hakirya, Beilinson, Hasharon and Ma'ayan Hayeshu'a—while they last.

THOSE WHO believe, with some logic, that postnatal gifts should be for the mother, not the infant, might consider a novel gift suggestion from the Israel Childbirth Education Center. It is selling a real silver pendant designed by Sigal Golan of the Western Galilee kibbutz Kabri and based on the center's logo, a stylized outline of a mother, father and child. The pendant is made by the Adiran jewelry workshop at the kibbutz.

The price is NIS 25, plus NIS 2 postage, from the center, at POB 3713, Haifa, 31037 (tel. 04-242090). A chain is included.

FOR HOT, sunny days, the Dr. Fischer pharmaceutical company offers Baby Sol sunscreen lotion with a sun protection factor of 16. It is labeled "hypoallergenic" (i.e. non-allergy-causing) and "non-stinging" to the eyes. The lotion claims to be effective in water for 80 minutes, if allowed to dry for 20 minutes beforehand.

Baby Sol, in a white 125-ml. plastic bottle with bilingual labeling, costs a hefty NIS 37.60 at list price, but the manufacturer says it usually sells for 20 percent less. The firm says the cost of raw materials and development justifies the price.

Dr. Fischer also produces Ultra Sol DuraScreen, with an SPF of 30, for children. The product, in a brown bottle, comes with a promise that it will be waterproof for six hours—and a list price of NIS 49.70. It would be cheaper to keep out of the sun.

LIGHTWEIGHT baby quilts for cool summer nights come in unisex colors and designs this year, reports Eilat Textiles of Hod Hasharon. The covering fabric is a cotton-dolien blend, and the stuffing is synthetic.

The crib size, 1.40 x 1 m., has a recommended price of NIS 34; the carriage size, NIS 21. They are sold at household textile shops and at the factory outlets in Hod Hasharon (09-402231) and Tel Aviv (03-682-2208).

KETER PLASTIC's newest set of plastic shelves for DIY assembly and hanging are intended mainly for children's rooms and bathrooms.

The three-shelf arrangement comes in red, blue and yellow or black, white and red, and measures 70x70x23 cm. Each shelf can bear 15 kilos, according to the manufacturer. The three-shelf set sells for NIS 59.90, mainly at do-

it-yourself stores and at Keter's own chain of shops.

YOU CAN brighten up the ceiling of children's rooms at bedtime with little phosphorescent stars, moons, planets and comets which stick to virtually any flat surface.

The white stickers glow for a minute or two after the bedroom lights are turned off, creating a planetarium effect. In the daytime, they are invisible against a white wall or ceiling.

The glow-in-the-dark stickers can be removed easily. Instructions are in English and Hebrew. Made in Italy and labeled "Tacea Stacca," a package with nearly 100 stickers sells for NIS 24.20 at chain stores, toy shops and paper goods shops. The importer is MCI of Tel Aviv (03-497119).

ICE-CREAM manufacturer Tanne-Noga will send a clown and ice-cream to live up to a birthday party, all for NIS 250 on weekdays, NIS 300 on weekends. The "round-the-clock number for orders is 03-576-0033. At this stage, the offer is available in the Tel Aviv and central areas. Haifa and Bay Area communities, and Jerusalem.

Low price, lots of features may make this family car a best-seller

MOTORING

JOEL GORDIN

HYUNDAI LANTRA. Engine: 1,596 cc., multi-point fuel injection. Horsepower: 114 at 6,000 rpm. Torque: 14.2 at 4,500 rpm. Gears: Automatic.

Acceleration: 0-100 kph in 13.1 secs. Top speed: 175 kph. Gasoline consumption: at 90 kph, 16.1 km/l; in town, 10.6 km/l. Price: NIS 67,856.

DURING Hyundai's first 10 days in Israel, 600 vehicles were snapped up. Most of them were the family-class Lantra, and many of the buyers bought without even seeing the car.

On paper, there's every reason to choose the Lantra. It offers a factory-installed radio-tape player and air-conditioner; the full range of electrical accessories including push-button trunk opener; power steering; adjustable steering wheel; state-of-the-art automatic shift including overdrive; and luxurious finish, all for less than

NIS 68,000. If you prefer manual shift, you'll pay nearly NIS 5,000 less.

The automatic version of the Mitsubishi Superlancer, currently the best-selling family car, costs more than NIS 74,000 and does not include a radio-tape. The automatic Grand Leone now goes for NIS 63,000 in a special offer, but does not have half the accessories offered by the Lantra.

Hyundai, which began selling in Israel about a month ago, is the largest Korean automobile manufacturer and currently among the top 15 in the world.

At its current growth rate, it should be among the world's top 10 by the year 2000. Hyundai is marketed here by Colmotor, the Mitsubishi dealer. They offer the same three-year guarantee for Lantra provided with Mitsubishi.

A 200-km. test drive from Eilat to Sdom confirms the impression that Lantra buyers invested wisely. The Lantra is a three-year-old vehicle which underwent a comprehensive face-lift at the beginning of this year.

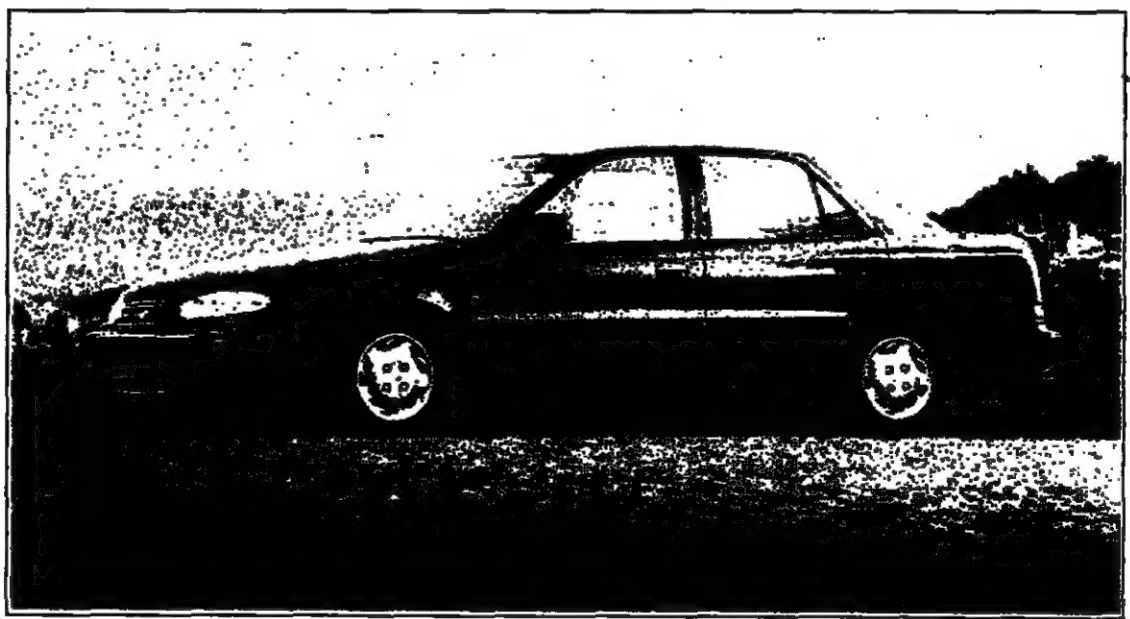
The outside is impressive and elegant, no less than any equivalent

Toyota, Mitsubishi, Mazda or Nissan.

The doors close firmly and securely—still the ultimate test of a well-made automobile—and the paint job is first-rate. The interior is elegant with a successful combination of tasteful upholstery and high-quality plastic. The seating for five is more comfortable than that of the Superlancer and the trunk is bigger. The front seats can be adjusted for any angle and height.

Engine performance is similar to that of the Superlancer, which is not surprising considering the engine is made by Mitsubishi. The 114 horses—compared with the Superlancer's 113—are generated at the same number of rpm (6,000), although the Lantra's engine is quieter than that of its rivals. Nevertheless, the Lantra does not accelerate as well as the Superlancer or other popular 1,600-cc. cars, but that's only because it is heavier.

The Lantra's soft suspension soaks up bumps. Its road-holding is average for a Japanese family car, but does not approach that of European models.



The Hyundai Lantra is budget friendly and among the best of its class.

The overall picture is that the budget-friendly Lantra compares well with anything in its class.

The one hesitation many may have about the Lantra—or other Hyundai models—is its country of

origin. It's important to get rid of these prejudices and judge cars on their merits, not on where they were made.

The Hyundais being offered are altogether different from the

Daiwo Racer, a rehashed version of the Opel Kadett of the Eighties. (In fairness, there have been few complaints about the Racer's reliability from owners.) The Lantra is not a poor person's Mitsubishi

Toyota/Mazda, but their equal sold for less.

In this respect, Colmotor has learned from the mistake it made with the Thai-produced Mitsubishi Champ. Colmotor thought it could sell Israelis anything that was cheap, had a three-box design, an air-conditioner and power steering.

The dealer underestimated local tastes. Buyers rejected the Champ, not because it was made in Thailand, but because it's ugly and old-fashioned.

Colmotor has decided not to import the 1,300-cc. Hyundai Pony, a hit in Europe, because it will soon be replaced. At any rate, the Hyundai Lantra has the potential to become the country's best-selling car, succeeding the Subaru Leone and Mitsubishi Superlancer.

For the record, the other Hyundai currently offered are Lantra 1.8-liter automatic (NIS 71,856), NIS 74,357 with anti-skid braking system), Sonata 2.0-liter automatic (NIS 94,357), Sonata 3.0-liter automatic (NIS 110,356), H100 2,476-cc. commercial van (NIS 63,468 for the gasoline version, NIS 66,468 for the diesel).

BARGAIN BASEMENT

OFFERS

CARPET—Kandahar Wilton, pure wool, 2.7x3.43 m, Bordeaux color, NIS 300, 09-553061.

BRUT FABERGE AFTERSHAVE—extra large bottle, NIS 140; Zenith Tempest bicolors, large, new, 10x50 with case, NIS 160, 02-692021.

KING-SIZE DOUBLE BED—with two mattresses (King Koil), excellent condition, NIS 250, 02-674565.

"THE JEW IN ENGLISH DRAMA"—NIS 25; Henry James: *Untried Years*, NIS 25; *Both Sides of the Hill*, Kinche, NIS 25, 04-242207.

TRANSFORMERS—110/220v., 1000W, NIS 180; 200W, NIS 60; both new, 04-343192.

ENGLISH "K" WASHABLE SHOES—size 39, new, black, NIS 150; bicycle repair kit, in box, NIS 20, 09-380139.

SLEEPING BAG—down filled, excellent condition, NIS 120, 04-255710.

MANUAL EXERCISE TREADMILL—Hudson, as new, NIS 250, 02-641304.

LIVING-ROOM COUCHES—one Mediterranean-style antique white, one Castro convertible style, NIS 250, 06-435529, NIS 160; SMALL FURNITURE OF COTTON—and synthetic material for patchwork and handicraft, free, 09-584745.

CARPET—2x3, blue, good condition, NIS 240, 04-346872, NIS.

CHILDREN'S BOOKS AND POCKET BOOKS—NIS 60 the lot, free, 09-584745.

ANTIQUE SMILING BUDDHA—carved, wood, smiling, collector's item, NIS 250, 04-3758597, NIS.

NEW DRESS—size 8, imported, NIS 200, 04-223208, NIS.

BABY QUILT—crib sheet, 3 crib sheet sets, with bottom drawers, NIS 30, 02-667792, NIS.

BOOKCASE—fornia, mahogany color, with bottom drawers, NIS 30, 02-667792, NIS.

GUITAR—classical, 6 months old, excellent condition, NIS 300, 02-664159, NIS.

condition, NIS 225, 02-519821.

12 FISH PLATES—beautifully decorated in unique pattern with 2 matching oval serving plates, NIS 175 a.o.b.o., 02-785357, NIS.

BOYS' SCOOTER BICYCLE—NIS 120 a.o.b.o., 02-346018.

BOYS' BICYCLE—NIS 200, 02-630391, NIS.

SEWING MACHINE—Singer, needs new motor, NIS 300, Sharon, 02-528274, N.A.M., 1 p.m. Sun-Thurs.

WARDROBE—215 x 140 (w), unique Mid-Eastern style, NIS 300, 02-639777 after 5 p.m.

APPLE 2C—computer, programs, like new, NIS 300, 02-340668.

STEREOMETER ROM TEK ELECTRONIC TRANSLATOR—Hebrew/English, excellent condition, NIS 250, 02-869020.

XANADU MUSICAL MOVIE—new, NIS 25; two Game Boy games, NIS 30; four video tapes, A.I.F. new, NIS 30; Jane Fonda workout video in Hebrew, new, NIS 25, 02-536978.

ISRAELI COMMEMORATIVE COVERS—500 stamped envelopes, not for sale or bedroom, and openings of post offices, NIS 250, 02-731341.

CARPET—1.70 x 2.25 m., like new, oriental design, perfect for salon or bedroom, NIS 250, 02-519441.

ELECTRIC SHAVES—Norelco, NIS 120; scientific calculator watch, Casio, NIS 140, Eric, 02-824875.

STEELFRAME BACKPACK—NIS 90; Walkman stereo tape recorder, NIS 210, 02-536978.

HARD DISK—with controller, 40 MB, 16 bit, NIS 250, 02-423784, Zev.

SUITCASE—American Tourister, 27", NIS 130; suitcase, 21", NIS 30, 02-864289, Eric, 02-824875.

APPLE 2—computer with disk drive + monitor + programs + manuals, excellent condition, NIS 250, 02-340668.

BURAU—NIS 60; single bedframe, NIS 60; wooden desk chair, NIS 30; end table, NIS 30; clip-on lamp, NIS 20; Dana, 02-635754.

SOLID WORKMAN'S TABLE—with jewel-

ry section cut out, 180 x 60 x 90 cm. height, NIS 250, 02-634788, NIS.

AIRMAN'S SUNGLASSES—Rayban, new, NIS 100; 2 sunglasses 60 x 80 cm. (almost new), NIS 75 each, 02-513567, NIS.

WOMEN'S LEATHER JACKET—size 7, NIS 100; long wool coat, size 5, NIS 75; navy low-heeled Amalfi pump, 6/2B, unworn, NIS 100, 02-630546.

LOOKING TO IMPORT SOMETHING?—lots of room in lift, 02-665923.

SKIRTS—NIS 20 each; blouses, NIS 20; nightgowns, NIS 30; boys' shirts, NIS 15; sweaters, NIS 30; girls' dresses, NIS 30, 02-431023.

COMPUTER GAMES FOR SALE—old and new for IBM com. desk and CD-ROMs, NIS 50-NIS 200, 02-762841, original box, 02-431023.

CLOTHES HANGER ON WHEELS—NIS 25; hall carpet NIS 80, 02-853316.

WALKMAN—AM/FM cassette recorder with speaker, Sony, NIS 210, Eric, 02-824875.

SLINTZES MAKER—electric, new, excellent, NIS 100; wig, long black, NIS 100, 02-519441.

CHILDREN'S ANTIQUE ROCKING CHAIR—NIS 220, 02-513556.

CRIB—American, full size, wood, with in-spring mattress, NIS 100, 02-421508, NIS 75, 02-819521, NIS.

BABY CAR SEAT—Century, and regular baby stroller, NIS 300, 02-517471, NIS.

GAME BOY—new, NIS 300, 02-518020.

LITTLE LEVI'S SKIRT—size 3T, new, NIS 65; adult terry robe, dark pink, new, NIS 75, 02-819521, NIS.

ELECTRIC TYPEWRITER—American (English), 120 volts, needs transformer, NIS 300, 02-820126.

FASTGRAPH—DOS graphics, game programming, IBM, original box, disks, NIS 150, 02-868582, NIS.

COUCH—bamboo, NIS 175; child's Toy-A-Loc Graco seat, NIS 35; 7-speed blender, NIS 40; fan heater, NIS 150, 02-425628.

MICROWAVE OVEN—Hamilton Beach turntable, NIS 200; thick foam double mattress, almost new, NIS 100, 02-611824, NIS.

CAMERA—Canon AV 1, 35 mm, excellent lens, NIS 250, 02-731460.

BARBIE HOUSE—6 rooms, complete with furniture and Barbie, like new, NIS 300, 02-863661.

UPHOLSTERED BENCH SEAT—(storage), opens to good-size bed, sturdy, good condition, NIS 200 a.o.b.o., 02-293019, 02-810254.

QUEEN-SIZE MATTRESS—American in-lenspring, near-perfect condition, NIS 295, 02-821157.

HAIRSTYLING SET—Philips, 5 pieces, new, NIS 30, 02-430105.

CONTRACTOR'S WOODEN LADDER—NIS 75, 32-cup percolator, fondue pot, Salton hot tray, NIS 30 each, 02-250762.

EPILATOR—new, 3 speeds, NIS 60, 02-662598.

AMERICAN HERITAGE DICTIONARY—PC 312" diskettes, 65 MB free, diskette needed, NIS 175, 02-630774.

SRAVIT ELECTRIC OVEN—5 gas burners, good condition, NIS 280, 02-634465.

DISHWASHER—Canad, in good condition, NIS 300, 02-850752.

HIFI STEREO SPEAKER—100 watt, rectilinear micro-3, woofer 2" x 4", tweeter 1 1/2" x 1 1/2", 4 ohm resistive, 14 1/2" x 5 1/2" x 5 1/2", NIS 200, 02-731336.

CASSETTES—Bowie, Bush, Springfield, Yes, Stry, Genesis, NIS 15-NIS 20, Darryl, 02-246189.

USED DIGITAL WATCH—NIS 5; old Panasonic radio, needs fixing, NIS 10, 02-611240.

COFFEE MACHINE—German made, NIS 200, old English typewriter, Tippa (portable), NIS 50, 02-731336.

GIRLS' DRESS—size 10, new, NIS 25; pants, 4, 6, new, NIS 25; Martex sheet, full, NIS 20, 02-731113, NIS.

GIRLS' CLOTHING—excellent quality, American brand, 3 bags of size 24 months, 2T, 3T, NIS 100 each bag, 02-371961, NIS.

PANASONIC RADIO TAPE RECORD PLAYER—220-240 voltage or batteries, choice like a small suitcase, in good condition, NIS 300 a.o.b.o., 02-712191.

WANTED

USED HOME SEWING MACHINES—earn a moola by offering your old machine so I can pick it up, recondition it, and give it to housebound Ethiopian women to learn to make children's clothes and minor repairs. Sylvia Camer, Mazkeret Batya, 06-340273.

SPINNING WHEEL—Australian or English, used; books on spinning; vegetarian cookbooks, all types, 02-522770.

YAD SARAH'S LAUNDRY SERVICE—for the bedridden desperately needs nightwear, sheets, bedding and towels, Call Tirza, 02-380704, Yad Sarah, 33 Yirmiyahu Street, Ramat Hasharon, Jerusalem.

FURNITURE—wanted by organization for new Russian olim, will collect, 02-788277, NIS.

NEW STORES FOR OLIM—socks electrical appliances, household goods (pots, pans, dishes, etc.), old furniture, etc. Great Shaul St. 25, 9 a.m. - 3 p.m., 02-513524, Will collect.

YAD CHEN AND YAD LETNOOK—gladly accept respectable clothing at their distribution center, 6 Shmuel Hanavi, Apt. 10, Chaya, 02-820102; Yochved, 02-866348.

WALL CUPBOARD—220 cm. L, floor-to-ceiling, for children's room; computer table, narrow preferred, 02-789712, NIS.

RUG FOR CHILDREN'S ROOM—green or blue, 02-817134, NIS.

OLD MAPS, ATLASES—December issue of *Romana* (POB 81, Jerusalem 91 000) by NOON Sunday of the week of publication. Because of space limitations, ads may be held over and published the following week.

FILING CABINET—in reasonable condition, 02-710536.

SPRING FRAME—for swing set for 3-year-old, 02-345633.

ACTORS/ACTRESSES—for Chetkov play, auditions June

BUSINESS & FINANCE

THURSDAY, JUNE 2, 1994

Unemployment plunges

UNEMPLOYMENT plunged by more than one percentage point to 7.8 percent in the first quarter from the previous quarter, the Central Bureau of Statistics reported yesterday.

According to the bureau, the economy's growth generated a 55% rise in new jobs created to 41,000 from 26,400.

The number of working-age people grew by a more moderate 20,000 due to the slowdown in the immigration rate.

There were 7.8% more jobs in

JOSE ROSENFELD

the first quarter than during the same period last year, as the number of unemployed fell a dramatic 23.2% to 156,000 since the first quarter of 1993.

The reduction in unemployment slowed somewhat, as only 21,000 individuals were eliminated from the unemployment rolls in the first quarter compared to 37,000 in the previous quarter.

The unemployment rate among

men dived 34.3% to 72,000 from 109,000 in the first quarter of 1993.

By contrast, female unemployment decreased a more moderate 10.3% to 84,000 from 94,000 in the first quarter last year.

The unemployment rate for men dropped to 6.3% from 7.4% in the fourth quarter and to 9.9% in the first quarter last year.

The female unemployment rate decreased more moderately to 10.9% from 11% in the previous quarter and 12.8% in the first quarter last year.

Bronfeld: TASE's decline due to lack of peace dividend

EVELYN GORDON

THE failure of the promised "peace dividend" to materialize is one of the main reasons for the bourse's recent decline, Tel Aviv Stock Exchange director Sam Bronfeld told the Knesset finance committee's capital markets subcommittee yesterday.

Bronfeld said the Two-Sided Index had begun a gradual decline in the first quarter last year due to the economic slowdown and a fall in corporate profits.

But when the Declaration of Principles was signed last September, the bourse shot upwards on the hopes of accelerated growth and a wave of new investments.

When the market realized that this "peace dividend" would be slow to materialize, however, it quickly resumed its downward trend, Bronfeld said.

Securities Authority chairman Aryeh Minkevich rejected the charge that the fall was partially due to the wave of investigations relating to violations of the authority's laws.

The number of investigations has not changed from year to year, he said. The only difference is that this year, they have received much more media attention than ever

before.

The proof that investigations have only a marginal impact on the market, he said, is that it barely reacted to the most recent set.

Subcommittee chairman Silvan Shalom (Likud) blamed the decline on the Treasury and the Bank of Israel.

Finance Minister Avraham Shohat's financial handouts to anyone that asked, he said, were responsible for an inflation that led to higher interest rates, which in turn caused a fall in share prices.

Meanwhile, he said, the central

bank's easy money policy had allowed the market to overheat, thereby setting the scene for a fall.

MK Dan Tichon (Likud) joined in these accusations, warning that an entire generation of investors has been burned by the recent decline. It will take a long time, he said, before they come back again.

However, David Klein, director of monetary policy for the central bank, indignantly rejected the charges. Monetary policy, he said, had only a marginal effect on the stock exchange, since the Bank of Israel tries hard not to interfere in the commercial banks' credit policies.

Integrity Ventures offers one-third of firm's shares

GALIT LIPKIS BECK

INTEGRITY Ventures, the parent company of IRI Management, is offering one-third of the company's shares for \$1.5 million.

The industrial holding company has put forward a private placement memorandum describing an offering of 284 of the company's shares to private investors, primarily institutions and corporations.

The memorandum was circulated two weeks ago in the US and UK. The company hopes to attract 15 investors who will invest \$100,000 each or 10 investors willing to invest \$150,000 each.

David Sinigaglia, chairman and CEO of IRI, Integrity Ventures' executive arm, said the money will be used primarily for future investments in all fields.

Integrity Ventures, an international investment management company, was founded last year.

"We are trying to raise additional funds for Integrity Ventures for

investments in Israel," Sinigaglia said. "We invest primarily in Israel but may invest abroad to assist local firms. It's good for Israeli business to have a bridge abroad. We are looking now at an additional four to five companies. In reality, one company is a certainty, while four others are in doubt."

IRI is currently considering establishing a subsidiary of Wolff Olins here in partnership with Wally Olins.

The UK-based Wolff Olins is a public relations firm works with leading companies such as Unilever, ICI and Midland Bank in the UK.

Company founder Wally Olins visited here last week for the purpose of investigating the potential size of the market and clients. During his visit, Olins met and lectured to top companies - including Tempo-Pepsi, Strauss, Ti-

vall, Delek, Super-Sol and Isrotel Hotels in Eilat.

"IRI, together with Wolff Olins, may establish a branch in Israel which will offer its business strategy services to companies engaged in industry, trade and services," said Sinigaglia.

IRI invests from 26 percent to 100% in its subsidiaries' equity. He said the subsidiaries work closely with the company's management.

So far IRI has invested in three companies - Ateza, LiveLink Systems and Multimatix.

The company has a 100% share in Ateza, the manufacturer of electronic hardware, and a 66% share in LiveLink Systems, which develops, markets and supports the LiveLink family of software tools used to automate production of electronic hypertext documents and multimedia applications.

IVI has a 90% share in Multimatix, the manufacturer of Omelette,

Bill banning MKs from serving on board of private firms passes first reading

DAN IZENBERG

THE Knesset yesterday passed in preliminary reading a controversial bill initiated by MK Ori Orr banning legislators from serving on the board of directors of private companies.

The vote was 24 to 12 in favor of the bill. Four of the MKs who voted against the proposal belong to the boards of directors of companies, according to information released by Orr's office.

A fifth recently resigned from the boards of two companies. The information was based on the statements of the MKs regarding their outside incomes.

Orr told the Knesset there was a

potential conflict of interest between the two jobs.

"The director of a company is bound by law to be faithful to company he serves," said Orr. "This situation creates a conflict of interest with his service and task as a member of Knesset and a member of Knesset committees."

"For example, how will the director of a bank who is also a member of the finance committee vote? Which interest will he put first?"

Meir Sheerit (Likud), who be-

longs to two boards of directors and who voted against the bill, said the Knesset had already dealt with the matter.

MKs were bound by the house rules to refrain from voting on an issue in which they had a personal interest, he said.

"I haven't heard one persuasive argument for passing the bill," said Sheerit. "I don't see that those MKs who do not belong to the boards of directors are necessarily active in the Knesset and certainly no more than those who

are directors. In fact, the opposite is true."

The five MKs who belong or belonged to boards of directors and voted against the bill are: Ra'anan Cohen (Labor), Sheerit, Gideon Saguy (Labor), Rafi Elul (Labor) and Dan Tichon (Likud).

The other MKs who belong to boards of directors are Yehoshua Matza (Likud), Uri Landau (Likud), Esther Salomons (Yis'ud), Ehud Olmert (Likud), Avi Yehzekel (Labor), Moshe Katsav (Likud) and Rafael Edri (Labor).

Finance Minister Avraham Shohat was a director while serving as an MK.

Tower Semiconductor signs 3-year deal with Motorola

GALIT LIPKIS BECK

TOWER Semiconductor of Migdal Ha'emek yesterday announced it has signed a three-year production agreement with the major controller group of Motorola Inc.

The companies agreed to cooperate in development of technology.

Motorola Israel said the agreement is among the largest a worldwide manufacturer and an local high technology company have signed.

"The joint cooperation with Motorola worldwide is an important strategic step in Tower Semiconductor Israel's growth," said Tower Dr. Yosef Nissan-Cohen, vice president of technology and business development.

"I cannot reveal the size of the agreement but can say it is substantial enough to justify Tower's heavy investment of \$35 million last year," he said. "The agreement is going to increase production capacity about 50%."

Tower's sales were \$11m. in the first quarter. The agreement is expected to increase the company's fourth quarter sales some 40% to more than \$15m.

"We are going to produce parts which were designed by Motorola production lines," Nissan-Cohen said. "We will produce the parts using our semiconductor technologies."

"In the first phase, Tower will manufacture a closed caption decoder device used to include captions in television broadcasting, mainly in the US, for hearing impaired people. The device is also used for translating television subtitles into different languages."

Tower, a sub-contractor manufacturer of semiconductors, also plans to manufacture a large selection of other devices in the communication and consumer areas.

DBT places \$18 million order with ECI Telecom

RACHEL NEIMAN

DEUTSCHE Bundespost Telekom (DBT) has placed an \$18 million order with ECI Telecom as part of a \$43m. commitment previously announced.

"This order reaffirms the confidence that the customer places in our ability to deliver and install cutting-edge technology products," said ECI Telecom CEO David Rubner.

DBT selected ECI to provide 60% of its requirements for SDH equipment for this year and last.

The SDH standard, equivalent

to North America's Sonet, will form the basic telecommunication architecture for the next century.

The company has adopted an organizational philosophy, in which it uses two units. Network Systems deals with SDH, while a second one with DCME standard products. Yeheskel Lapid has been appointed VP and general manager for SDH products.

Uri Kashti has been named VP and general manager for Access Network products.



ECI chief David Rubner

The company said accounting policies and financial reporting will not be affected by the change.

Zion Holdings reports turnaround in profits

GALIT LIPKIS BECK

ZION Holdings yesterday reported a turnaround in the first quarter, registering a NIS 574,000 net profit compared with a NIS 1.19 million net loss in the corresponding period last year.

Zion Insurance also reported a turnaround, posting NIS 1.5m. in net profits, compared with a NIS 1.1m. net loss.

Profits from life insurance activ-

ities fell to NIS 3.1m. from NIS 4.8m.

The drop in profits was mainly due to a rise in purchase expenditure and commission payments, resulting from a growth in sales and a change in composition of insurance policies sold during the first quarter.

In elementary non-life insurance, Zion had a NIS 1m. net loss, down from a NIS 5.6m. net loss. Premiums fell to NIS 47.5m. from NIS 45m.

• Ayalon Insurance Company reported a rise in first quarter net profit to NIS 755,000 from NIS 17,000 during the same period last year.

Elco Holdings reports 1% drop in net profits

COMPANY RESULTS

RACHEL NEIMAN

ELCO Holdings yesterday reported a one percent decline in net profits to NIS 18.3 million from NIS 18.5m. during the same period last year.

The company said the drop was due to a decrease in holdings of subsidiary Elctra Consumer Products.

• Elco Industries announced a rise in net profits to NIS 9.4m. from NIS 8.8m. during the first quarter last year.

Earnings per share went up to NIS 1.28 from NIS 1.24. The growth was attributed to increased efficiency measures in manufacturing over the past two years.

• Dubek announced a decline in first quarter net profits to NIS 316,000 from NIS 2.6m. during the same period last year.

Sales on imports rose dramatically to NIS 6.6m. from NIS 67,000.

Profit margins declined from 6% to 5% and earnings per share fell to NIS 0.31 from NIS 2.59.

• Ma'ariv Holdings reported a

first quarter net loss of NIS 2.3m., as compared with a net profit of NIS 672,000 during the comparable quarter last year.

Ma'ariv, which holds 18% of Tel-Ad, registered a loss of NIS 1.25m. on the studio.

The rising costs of paper worldwide was another reason given for the fall.

Eshed Robotics announced an increased quarterly net loss of NIS 3.2m. from a net loss of NIS 2m. during the parallel period in 1993.

Per share losses rose to NIS 0.63 from NIS 0.41.

The downturn on the TASE was given as the primary reason for the fall, along with higher marketing, sales and research and development costs.

The company, along with six

others, recently won a tender for computerization of schools and educational institutions, but said this income would reflect only in the third quarter.

• Clothes manufacturer Castro announced a rise in first quarter net profits to NIS 1.5m. from NIS 1.45m. during the same period last year.

Earnings per share rose to NIS 0.27 from NIS 0.25. Export sales went up to NIS 1.1m. from NIS 1m.

The company also owns and operates stores under its own name and is the sole holder of the Stefanel franchise here.

• Yeda Computers reported a decrease in net profits to NIS 666,000 from NIS 800,000 during the same period last year.

Cost of sales rose to NIS 16m. from NIS 14.6m.

• Credit Lines announced a jump in first quarter net profit to NIS 1.4m. from NIS 16,000 during the same period last year.

Only one mutual fund posts positive real yield in May

GALIT LIPKIS BECK

MAY was a very bad month for the mutual fund industry, with only one of 266 funds achieving a positive real yield, the Meitav Consultancy Firm reported yesterday.

Meitav assumed a May inflation rate of 0.8 percent for its summary of the mutual fund sector.

Meitav's mutual fund index fell 9.8% in May, reflecting negative real yields in all of the group indices.

Meitav said the capital market went back to the bad days of February and March last month after having recovered in April.

The best performers were funds specializing in government bonds, which were down an average of 0.8%, followed by funds specializing in foreign currency, which were down an average of 2%.

Funds specializing in bonds achieved an average negative yield of 4.5%, followed by flexible funds, which were down 11.8%.

The poorest performers were funds specializing in shares with an average negative yield of 17.1%.

Nine out of the 10 best mutual fund performers in May were funds specializing in bonds.

The best performer was Mivtar, the only fund to achieve a positive real yield. The fund - which is managed by Dikla, a member of the First International Bank group, achieved a nominal yield of 0.9%.

Hilla Pekan achieved a nominal yield of 0.8%.

The 10 worst performing funds achieved negative yields of 20% to 30%. The poorest performer was

Meitav Warrants, managed by Meitav, which achieved a negative nominal yield of 29.1%.

Not even one mutual fund has achieved a positive real yield since the start of the year.

In the first five months of the year, Meitav's mutual fund index has lost 17.1%. The poorest performers were funds specializing in shares, with a negative yield of 28.2% since the start of the year.

According to a Meitav survey, Bezek and Koor shares were the most popular ones among mutual fund managers last year.

The 10 most popular shares in the fund managers' investment portfolios last year were Bezek, Koor, Teva, Clal Israel, IDB Holdings, Clal Electronics, Elbit, Clal Industries, Africa Israel and IDB Development.

According to the survey, the investment portfolios of medium sized mutual fund managers have a higher percentage of shares than the larger fund managers.

Meitav said fund managers have a tendency to spread their investments among small and large shares.

The 10 leading shares in investment portfolios accounted for 32 percent of Leumi-Pia's investment portfolio, down from 41.5% at the end of 1992.

Meitav said the fall in the popularity of leading shares is mainly due to the establishment of funds specializing in specific sectors of the market, rather than all market sectors.

BUSINESS BRIEFS

Foreign currency reserves drop \$352 million in May: Foreign currency reserves dropped \$352 million in last month, the Bank of Israel reported yesterday. The drop was due to government loan repayments totaling more than \$400m. in May. The reserves reached \$6.323 billion at the end of last month.

S. Riesel Chemical Products celebrates 40th anniversary: The pharmaceutical firm, S. Riesel Chemical Products Ltd., yesterday celebrated its 40-year anniversary as the country's sole licensee and distributor of the world's largest pharmaceutical company, the New Jersey-based Merck & Co.

Maccabi health funds now running Assuta Hospital: The Maccabi health fund has taken over the running of Tel Aviv's Assuta Hospital after Sorko-Ramat Marpeh Ltd., a Maccabi subsidiary, decided to leave the institution.

The contract with the hospital, the largest private one in the country with more than 400 employees, is for 12 years, with an option for another two. Assuta will continue to function with the same director-general and staff. It will accept non-members of Maccabi as well.

First Stop Shop convenience store opens at Dor station: The first of a chain of 24-hour-a-day convenience stores at Dor stations opened yesterday in Bnei Brak, near the Gela Highway. The chain, called Stop Shop, is a 50:50 partnership of Dor Energia and Elite.

The partners anticipate a chain of 25 similar mini-markets within five years. The next two will open within a few months, at Dor stations in Haifa and at a second Bnei Brak location. Each branch represents a \$200,000 investment by the joint partners. The Stop Shops, which will not be open on Shabbat, will sell groceries, gift items toiletries, newspapers and sandwiches.

Commercial banks announce schemes to reduce travel costs: The commercial banks yesterday announced summer schemes to help finance expenses of customers going abroad. First International Bank is offering customers a fixed exchange rate commission of NIS 5 on each purchase of foreign currency up to a maximum value of \$3,000.

Customers will also receive a 50% reduction on travelers' checks commissions, and those who purchase \$1,500 worth of foreign currency will receive a picnic table gift. In addition, the bank is offering 12-month credit to finance customers' overseas trips. Customers are entitled to receive a check-linked loan at an annual fixed interest of 13.5%. Customers who do not have an international credit card can receive an Isracredit or Visa credit card free of charge during the first year.

Bank Hapoalim's June to July summer scheme also consists of a wide range of benefits. The bank is offering travelers NIS 3,500 to NIS 15,000 over a 24-month period at a fixed interest, or variable prime interest rate plus 3% annually. Hapoalim said customers are exempt from exchange rate commissions and will receive a 50% reduction on traveler's checks commissions.

ISRAELI MONEY MARKETS

Patah (foreign currency deposit rates) (2.6.94)			
Currency (deposit term)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$250,000)	3.875	4.250	4.750
Pound sterling (£100,000)	3.825	3.875	4.375
German mark (DM 200,000)	4.125	4.125	4.125
Swiss franc (SF 200,000)	3.125	3.125	3.125
Yen (10 million yen)	0.500	0.625	0.750

(Rates vary higher or lower than indicated according to deposit)

Bundesbank: monetary policy 'on hold'

FRANKFURT (Reuters) — Bundesbank officials yesterday said German monetary policy was "on hold" for now but there was a chance of further interest-rate cuts later this year if M3 money supply growth slowed by then.

The central bank officials said M3 — which grew by an annualized 15.8% in April — remained the anchor for monetary policy even though it was currently growing far faster than the Bundesbank's six percent target ceiling.

Olaf Sievert, president of the regional central bank of Saxony and Thuringia, told a news conference in the east German city of Leipzig that the Bundesbank had not excluded the possibility of a further cut in interest rates.

"A definite end of the monetary easing has by no means been indicated and has certainly not been agreed upon," he said.

A second Bundesbank council member, Guntram Palm, said the latest cuts in the Lombard and discount rates meant there would be a

Janet Northcote

halt in rate cuts for now. He said he believed the trend to lower rates could even be drawing to a close.

"At the current time it would appear that a stopping point, if not a turning point, is in sight for interest-rate policy," he told a news conference in the city of Stuttgart, where he heads the Baden-Wuerttemberg regional central bank.

But Palm still saw room for maneuver on a key money market rate, the repurchase or repo rate, which was trimmed to 5.15% from 5.20% earlier yesterday.

He said more scope for official rate cuts would be created if a blockage that has boosted money supply could be eased.

The Bundesbank has blamed large short-term deposits for bloated M3 growth. Recent official rate cuts had the stated aim of lowering short-term yields to make them less attractive to investors than longer-term investments.

Sievert said the Bundesbank would wait patiently to see how measures taken to date affect the money supply.

But Palm and a third council member, Reimut Jochimsen, who heads the central bank in North Rhine-Westphalia, said the bank would stick with monetary targeting despite problems with M3.

Jochimsen told the *WirtschaftsWoche* magazine he still believed in a relationship between M3 growth and inflation.

But he said the formula "too much money equals too much inflation" was oversimplified and was not valid at the moment.

Asked if this apparent contradiction gave problems, he said: "It is somewhat embarrassing but there are no alternatives."

For now inflation is seen heading in the right direction. Sievert said he hoped it would slow below two percent in 1995.

He saw clear signs of improvement in the price situation and little sign of wage increases to threaten price stability.

Even a sharp economic upturn would not necessarily cause fresh inflation worries or halt the rate cut process, he added.



In an interview with the magazine *Globe Hebdo* published yesterday, Tapie said: "I cannot accept being considered as someone dishonest. I am like a motorist who may possibly forget his car papers or driving license but never crosses a white line." (AFP)

Tapie's yacht attached by Credit Lyonnais

PARIS (Reuters) — State-owned French bank Credit Lyonnais said yesterday it had laid claim to controversial soccer boss and politician Bernard Tapie's luxury yacht in the latest move in a legal battle over his debts.

Tapie meanwhile announced that a group of Canadian, British and French investors had agreed to take over his Marseille soccer club, but the French soccer authorities placed new restrictions on the club's transactions.

In parliament, Budget Minister Nicolas Sarkozy came under fire from government supporters for granting the club, demoted to the second division next season as a punishment for alleged match-fixing, a three-year moratorium on its tax arrears.

Sarkozy said he did not want to drive last year's European soccer champions into insolvency by demanding immediate payment of Fr73 million (\$13 million), since the tax man would not recover a cent if the club went bankrupt.

"Marseille supporters and football lovers should not have to suffer because Marseille is run by Mr. Tapie," he said.

Credit Lyonnais obtained a court order on Monday barring Tapie from sailing, moving or selling the 74 meter four-masted pleasure yacht *Phoebe*, moored in the Marseille harbor, a bank spokeswoman said.

The bank has already laid claim to Tapie's Paris town house and his antique art and furniture collection after tearing up an agreement which had given him five years to repay Fr1.22 billion in debts.

Last Friday, it gave him eight days to repay a first installment of Fr450 million (\$80m.) and said it would otherwise apply to auction off his assets.

Tapie, a member of parliament and candidate in next month's European elections, counter-attacked by filing a lawsuit on Tuesday seeking to force the bank to stick to the agreement.

The move virtually ensured the bank will not be able to seize and sell his assets until lengthy legal proceedings are concluded.

Tapie is heading a center-left Radical Energy list in the June 12 European Parliament elections. Latest opinion polls suggest his slate will win about eight percent of the vote.

He faces six investigations for bribery, interfering with witnesses, business fraud and tax evasion but he defies all the charges and claims he is the victim of a judicial witch-hunt.

Two judges have asked parliament to lift Tapie's immunity from prosecution in connection with alleged fraud and tax evasion over the yacht, which was registered as a commercial ship for tax purposes.

Yesterday, the soccer authorities barred Marseille from recruiting new players next season without the permission of an accounting supervisory commission.

In an interview with the magazine *Globe Hebdo* published yesterday, he said: "I cannot accept being considered as someone dishonest. I am like a motorist who may possibly forget his car papers or driving license but never crosses a white line."

Tapie bought the *Phoebe*, built for ocean-going races, in 1982 from the widow of drowned French yachtsman Alain Colas. He has used it to entertain friends, sports and political contacts, and as a hideaway in times of trouble.

European Court: sacking of pregnant worker unfair

LUXEMBOURG — A clerk sacked because she became pregnant won the latest battle yesterday in her fight to prove she was a victim of sex discrimination.

Giuseppe Tesaro, a senior legal adviser to the European Court of Justice, said in his official opinion on the case that the court should tell the British House of Lords that Carole Webb should not have been sacked by EMO Air Cargo.

The court's final ruling, expected later this year, will be based on Tesaro's report.

The case is seen as a landmark in establishing employment rights for pregnant women in the European Union.

Mrs. Webb was taken on by the freight company as an import operations clerk, replacing another clerk, Valerie Stewart, who was pregnant.

Two weeks into her probationary period, Mrs. Webb told the company she too was pregnant and was promptly sacked even though her contract was for an indefinite period.

The company said she had been dismissed because she was unable to carry out the task for which she had been recruited — to replace Mrs. Stewart when the latter was on maternity leave — a claim that has been supported by an industrial tribunal and the British Court of Appeal.

Mrs. Webb is making a final appeal to the House of Lords, Britain's top court, which has asked the European Court to interpret EU law on equal treatment for men and women employees.

She argues that her sacking constitutes direct discrimination on the grounds of sex, because the same dismissal could not have been effected against a male employee.

The Advocate General concluded: "... (EU laws) preclude an interpretation of national law which permits the dismissal of a woman engaged on the basis of an employment contract for an indefinite period on the ground that the employee in question must — on account of pregnancy — be absent from work."

"It follows that the dismissal of the employee in question owing to the fact that, because of her pregnancy, she would not have been able to fulfill one of the terms of the relevant contract... must therefore be considered incompatible with the principle of equal treatment..." he added.

IDB shares take a dive after the auditor quits

NEW YORK (Reuters) — The stock of IDB Communications Group Inc. dropped more than 50 percent yesterday after the supplier of satellite-transmission and international telephone services disclosed that its auditor, Deloitte & Touche, had resigned.

The stock was down \$7.50 at \$7 in heavy midday trading after skidding as low as \$5.25 earlier on the

Nasdaq market.

The Culver City, California-based company said late on Tuesday in a filing with the Securities and Exchange Commission that its auditing firm had quit.

IDB officials could not be reached for comment and Deloitte & Touche declined comment.

At least two Wall Street brokers, Merrill Lynch and CS First

Boston, downgraded the company's stock.

The auditor's resignation came three weeks after a proposed stock merger between IDB and Peoples Telephone Co. broke down.

IDB has experienced rapid growth in revenues over the past year, although earnings per share has been stagnant as it offered new

stock to finance its growth.

IDB sales jumped to \$310.7 million in 1993 from \$155.3m. the previous year, while profit climbed to \$12.2m. from \$8.5m. But earnings per share slipped to 19 cents from 24 cents.

The company has continued to report business expansion, despite the falling out with its accountant. Its IDB Broadcast unit on Tuesday

signed a five-year agreement with Fox Inc., a unit of News Corp Ltd., to provide transmission services for FX, Fox's new basic cable network.

Under the agreement, IDB said it would provide playback, commercial integration and other communication services to FX, which was set to launch nationally yesterday.

Turnaround after record 1993 losses

Volkswagen out of the red — despite SEAT woes

HAMBURG (Reuters) — Volkswagen AG, Europe's largest car-maker, yesterday said it would break even this year thanks to a dramatic improvement in profitability in recent months won by aggressive cost-cutting measures.

Managing board chairman Ferdinand Piech said VW's turnaround from a record 1993 loss would occur despite its continuing struggle to slash losses at Spanish subsidiary SEAT.

Piech told the annual shareholders' meeting in Hamburg that both the group and parent company had been profitable in April and May. He did not provide specific profit figures.

This marked an improvement from a first quarter group loss of \$208.1 million. The parent company had a \$21.29m. first quarter profit.

"It takes a long time to turn a big tanker around," Piech said. "But we believe that once that has happened, everyone profits from that. We're confident of the positive developments will continue this year."

Volkswagen suffered a record loss of \$1.18 billion in 1993.

Piech said group deliveries climbed by more than 6 percent to 1.4 million vehicles in the first five months of the year, a slight improvement from a 5.7% increase in deliveries in the first quarter.

But deliveries in Germany fell 4.1%, a sharp downturn from the first quarter, when deliveries in VW's home market were down just 1.3%.



Volkswagen's chief of production Jose Ignacio Lopez, left, chairman of the board of directors Klaus Liesen, center and chief of the German car manufacturer Ferdinand Piech right, smiling for the press at yesterday's shareholders meeting in Hamburg.

Piech said there had been a mixed picture for the group's four car marques during the first five months of 1994.

The upturn in deliveries at Volkswagen and SEAT accelerated. But downturns at upmarket car-maker Audi and Czech unit

Skoda also speeded up.

To restructure the struggling SEAT unit, VW officials said Madrid should contribute to the company's restructuring costs or else VW would cut the size of its investment in Spain.

Jochen Schumm, a Volkswagen

executive and personnel chief at SEAT, told reporters VW had spent two billion marks on SEAT's restructuring since 1993 and would not pay any more.

He said VW wanted the Spanish government as well as the state government in Catalonia to contribute up to \$498.9m. to help finance compensation packages for 4,600 older SEAT workers VW wanted to lay off.

"We believe the Spanish government has the same interest as we do — keeping SEAT going," Schumm said.

"The alternative would be 'un-social' layoffs and it would also mean that we would have to rethink our entire investment [in Spain], in the sense of a reduction," Schumm said.

Addressing another of Volkswagen's troubles, supervisory board chairman Klaus Liesen charged that rival Adam Opel AG had deliberately misled the public by suggesting there was evidence VW had secret Opel documents in its possession.

Liesen said Opel had tried to accuse VW's production chief Jose Ignacio Lopez of taking secret documents with him when he left Opel parent General Motors Corp for VW last March.

"Opel has tried for the last nine months to raise the impression in the public that accusations against Lopez have been as good as proven," he said. "This is misleading the public."

He added: "To this day we have no evidence that justifies these accusations of industrial espionage... Opel has made these accusations in public without having any evidence."

Opel on Sunday demanded the arrest of Lopez and presented a 34-page document to back its allegations that he stole GM secrets.

Court rules head of Schneider SA group to remain in prison

BRUSSELS, June 1 (Reuters) — A Brussels court decided yesterday to keep leading French industrialist Didier Pineaue-Valencienne in prison amid allegations the Schneider SA group had drained assets illegally from its Belgian units.

A statement by the Brussels public prosecutor said a court had "confirmed the arrest warrants of May 27" for Pineaue-Valencienne and Italian businessman Valentino Foti who has also been detained.

Under Belgian law, this means the two men will remain in prison, possibly for a month.

Pineaue-Valencienne, chairman of the giant French industrial group, has been in prison in Belgium since Friday along with Foti. Both men appeared in the judge's chambers with their lawyers.

Pineaue-Valencienne has been charged by an investigating magistrate with "fraud and benefiting from fraud, swindling, falsification of annual accounts, abuse of confidence and infringements of the law on accounting procedures."

The same charges have been laid against Foti.

The public prosecutor's statement said there were indications the SPEP/Schneider group had received "in suspicious circumstances" more than 3.0 billion Belgian francs (\$90 million) at the expense of its Belgian subsidiaries between 1988 and 1992.

A bid for Belgian units Cofibel and Cofimines was launched in late 1992 at a price that was challenged soon afterwards by minority shareholders.

"The investigation concerns financial operations whose effect was to reduce decisively the assets of Belgian companies," the statement said.

The procedure of the bid by SPEP, which later merged with Schneider, for Cofibel and Cofimines, also was suspected of being irregular, the statement said.

Several offshore companies be-

longing to the Cofibel-Cofimines group had been concealed from shareholders and regulators, it said.

The probe was examining the apparent non payment of dividends, amounting to 1.80 billion francs (\$53.2 million), from these companies to all shareholders, the statement said.

Pineaue-Valencienne, 63, a Harvard Business School graduate, heads a group which employs 60,000 people and had a turnover of 56.4 billion French francs (\$10 billion) in 1993.

He was arrested after coming to Brussels on Thursday to make a statement to legal authorities on a criminal investigation arising from a complaint filed by minority shareholders in Cofibel and Cofimines.

The dispute between Schneider and the minority shareholders was settled out of court earlier this year.

A Belgian takeover law specialist said the shareholders could seek to invalidate the operation if there was proof the information on which the transaction was based was fraudulent.

Shares in Schneider were suspended on the Paris bourse yesterday and will recommence trading this morning.

Didier-Valencienne's arrest and detention has shocked many French business leaders, some of whom have protested publicly.

French Justice Minister Pierre Mehaugier said before the court's decision was announced that he would like the French and Belgian authorities to cooperate in seeking the truth behind the Schneider affair.

"My duty as French Justice Minister is to facilitate cooperation between the Belgian and French justice authorities so the search for the truth can be expedited as swiftly as possible," he told reporters in Paris after the weekly cabinet meeting.

A spokesman for Belgian Justice Minister Melchior Wathelet said there had been an exchange of information on the case between the French and Belgian ministries.

The judicial authorities were completely independent in Belgium, he added.

Earlier the lawyer for Foti condemned allegations in the press of a possible link in the case with money laundering.

"There have been things talked about which were not raised at all in court: there was talk of drugs contacts," Foti's lawyer John Bigwood told reporters outside the court room.

"This has absolutely nothing to do with Messrs Pineaue-Valencienne and Foti. There is nothing, there is not a line on this in the report of the investigating magistrate," he said.

REUTERS

\$ 100,000 seed money grows to nearly a billion in Poland's mutual fund

WHEN Boston's Pioneer Group looked to establish a mutual fund in Eastern Europe, Poland was the logical choice.

With 40 million people, it was the biggest nation. There were no grizzly ethnic feuds within its borders. And Poles had money to invest: Pioneer estimated \$10 billion in "under-the-mattress" savings alone, much of it from US relatives.

When Pioneer looked for a fund manager, the choice was equally clear. Alicja Malecka was raised in the southern Polish town of Czestochowa — known for its Black Madonna of miracles — and educated in Warsaw and New York. She had just begun a US Treasury assignment in Poland.

"She had done international operations and international banking," said William H. Smith, president of the Pioneer Services subsidiary of Pioneer, who laid the groundwork for the First Polish Trust Fund in mid-1992. "She was at the time on loan to the Polish Ministry to set up its first govern-

ment bond system. And she was a Pole."

Malecka took the job, and for just under two years has run Poland's first, and so far its only, mutual fund. She has built the fund's \$100,000 seed money to nearly \$1 billion in assets, and attracted about 500,000 Poles with a return last year alone of nearly 200 percent.

It was a decision that put Malecka smack in the economic swirl of a country she meant to leave for good in 1969. It has given her professional challenges she once considered "unthinkable." And this is just the beginning. Malecka's next challenges include a \$75 million investment fund for Poland, and mutual funds for other, yet-unnamed Eastern European countries.

"I find it all unbelievably fascinating," Malecka said in a recent interview. "It's the only world I can come up with."

Malecka had returned reluctantly to Poland. She said she had no fascination for revisiting her roots.

She had left the Central School of Planning and Statistics in Warsaw four years into a five-year program, she said. "I completely disenchanted with the realities and absence of opportunities in Poland at the time."

But 20 years later, world events turned that assessment on its head. The fall of communism brought down the central economies of Eastern Europe. Capitalism rushed into Poland, following a pattern common to the newly converted economies.

Rampant optimism brought inflation to match, reaching almost 300 percent in 1989. Legislation has since reined that in — to an expected 23 percent this year — while the government worked to convert the massive, state-owned businesses to private firms. Some Poles even started up private businesses of their own. But the practical difficulties of this phase led to rising unemployment and falling living standards, according to

H.J. Cummins

Derek Brzezinski, a senior consultant with the US accounting firm Ernst & Young in Warsaw.

Still, the Polish economy grew as fast or faster than any in Europe, according to Wlodzislaw Chodzko, commercial adviser in New York for the Polish Embassy.

And one bright spot has been the Warsaw Stock Exchange, which stretched from its original five companies in 1991 to 24 as of last month. Its runup of 700% made it the world's most successful market last year.

Then the market sputtered around New Year's, and crashed from March to April. Such dramatic gyrations are not unusual for new, small markets. But suddenly all those Pioneer ads about safety in diversification caught the Poles' eyes: While the market fell 52%, Malecka's fund — with 10% overseas investments, and the rest spread among various Polish stocks and government bonds — dropped only 6%.

"Let's just say we were considerably outperforming the market," Malecka said. That explains why about half of her 500,000 investors have signed on since mid-December, she said, paying a 5.5% sales commission.

And that's why Polish securities regulators welcomed Pioneer's plans for a mutual fund, Chodzko said. "They bring accumulated knowledge in something that reaches segments of investors who are not eager for such speculative profits as the stock market," he said.

By now, other funds reportedly are in the pipeline there, and the government plans to privatize about 350 more companies this summer.

The expansion is important, experts say, partly because regulations prohibit Poles from investing overseas. Also, the tiny stock market has such severely limited investment choices — and in the process such inflated prices — that Pioneer chose not even to offer a Polish mutual fund to US investors, Smith said.

In fact, none are now sold in the US, said William McBride, international editor for Lipper Analytical Services, which tracks the mutual fund industry. American investors' best options now, McBride said, are to invest in European funds that include Poland, or in companies now doing business in Poland.

As for Pioneer's work within Poland, McBride described the firm as well prepared, partly through its earlier sales within Germany.

And he called its balanced fund approach — mixing stocks with bonds — a good one in an emerging economy, as evidenced by its strong performance through the recent market crash.

Malecka said her new challenge for the fund will be to play Warsaw's more mature market. "We'll have to look to selecting stocks rather than just running with the market," she said.

(Newsday)

Unseeded pair reach semifinals

PARIS (AP) — One is known for his bizarre-looking forehead; the other is a journeyman Swede. Both are now in the semifinals of the French Open.

A pair of unseeded players, Alberto Berasategui and Magnus Larsson, emerged yesterday as the last two survivors from a lower bracket depleted by upsets and robbed of big names.

Berasategui eliminated the last remaining seed in his half of the draw, No. 5 Goran Ivanisevic, 6-4, 6-3, 6-3, to confirm his status as one of the hottest new clay-court players in the game.

"It's like a dream for me," the 20-year-old Spaniard said.

Larsson saved six match points in the third set against 19-year-old German Hendrik Dreckmann and then cruised to a 3-6, 6-7 (7-1), 7-6 (7-3), 6-0, 6-1 victory.

It's the first time since 1973 that two unseeded men have reached the French Open semifinals. Whoever wins on Friday will become the first non-seeded player to make the French Open final since Mikael Pernfors in 1986.

By contrast, the men's semifinalists in the other bracket are defending champion Sergi Bruguera (No. 6) and two-time titlist Jim Courier (No. 7), last year's runner-up.

Today's schedule features the women's semifinals pitting No. 1 Steffi Graf against No. 12 Mary Pierce, and No. 2 Arantxa Sanchez Vicario vs. No. 3 Conchita Martinez.

Berasategui handled the error-prone Ivanisevic with surprising ease, needing only 1 hour, 36 minutes to dispose of the player with



SAVORING VICTORY — Alberto Berasategui of Spain raises his arms after winning his match against Goran Ivanisevic. (Reuters)

the most feared service in tennis. Ivanisevic is 6-foot-4, while the Spaniard stands just 5-foot-8.

"I was surprised," Berasategui said. "I never thought of winning this match this easy. I was afraid of

him. He has a very big serve. The key was my return. I knew I could take the match from the baseline, but I had to return well."

It was Berasategui who never lost serve, while Ivanisevic was broken four times. Berasategui had only two aces, but he saved them both for the final game: the first for 15-0 and the second on match point.

Ivanisevic was as responsible for his defeat as anyone, committing 69 unforced errors in just three sets.

Ivanisevic looked bewildered throughout the match, so dazed that he rarely exhibited his renowned temper. The one time he did explode was in the sixth game of the third set when he lost a long point after running down a lob and hitting it back between his legs.

Ivanisevic hurled his racket into the red clay and stalked around the baseline. A ballboy picked up the racket and held it out, but Ivanisevic refused to accept it for several seconds.

In the first match, Dreckmann was on the brink of becoming one of the least-expected semifinalists in tournament history. He was close to winning in straight sets, but couldn't capitalize on two match points at 5-4 and four more at 6-5.

Larsson came up with big serves each time, dominated the tie-breaker, then won the next two sets with little opposition from Dreckmann.

"He was serving unbelievable," Dreckmann said. "I didn't have any chance to make the point. I didn't know what to do after that third set."

Rockets roar into finals with 94-83 win over Jazz



HOUSTON (AP) — The Houston Rockets ridded themselves of the Utah Jazz with a 94-83 victory Tuesday night for a 4-1 victory in their best of 7 Western Conference championship series.

And after eight years, a period in which three mini-dynasties came and went, the Rockets are back in the NBA Finals.

It was a totally lopsided game until Utah struck with a 16-0 fourth-quarter run. But the Jazz were down by 24 when the spurt started and they just couldn't catch up.

Houston came out hitting almost everything it put up, took a 13-point lead after one quarter, built the lead as high as 22 in the second and avoided a "Choke City" breakdown in the second half.

Everyone contributed. Robert Horry had his best game of the series, scoring 22 points. It was the same story for Vernon Maxwell, who hit four 3-pointers in the first period to give the Rockets the mo-

mentum they never lost. He finished with 19 points.

Hakeem Olajuwon scored 22 points and Otis Thorpe had 11 points and 16 rebounds.

The Jazz shot poorly right from the start and couldn't keep up with Houston's onslaught. Jeff Hornacek scored 21 points and Karl Malone had 31, but no one else played as if it were a do-or-die game, and that led to the loss.

So it's on to the championship round for Houston, which will begin June 8 at the Summit against New York or Indiana. That series is tied 2-2 with Game 5 scheduled last night at New York.

It will be the third appearance in the finals for Houston, which lost to the Boston Celtics in 1981 and 1986.

Since then, the Rockets have watched Los Angeles Lakers, Detroit Pistons and Chicago Bulls each win back-to-back championships. But with the stars of those teams — Magic Johnson, Isiah Thomas and Michael Jordan — all retired, and this is a year in which someone else has a chance to take over the league.

Houston started the game with a barrage of 3-pointers. Maxwell had four and Horry made two. Horry also had a pair of dunks and three free throws for 13 points, and the Rockets shot 67 percent for the quarter. Only two or three shots were contested by Utah, and Houston had 11 assists in the quarter for a 33-20 lead.

In the second quarter, Houston started with a 12-4 run in which no

shot was longer than 15 feet. The Rockets held Utah to 15 points in the period for a 53-35 halftime lead.

Utah got within 56-42 early in the third as they started the quarter with a 7-3 run, but Houston came right back with a 10-4 run capped by Maxwell's fifth 3-pointer to increase the lead to 23 again, 71-49. It got to 26 with 36 seconds left on Olajuwon's falling turnaround from the corner, and when the scoreboard read 79-55 after three quarters.

But Utah had 16-0 run midway through the fourth quarter to cut the deficit to 83-75. Houston went 5:21 without a point before Olajuwon scored on a jumper. Horry made a tomahawk dunk with 1:32 left and Kenny Smith made four foul shots in the next 30 seconds to get the lead back to 11 with a minute left.

The Rockets have a history of success in Game 5 of the Western Conference final. In 1986, they beat the Lakers in five games on Ralph Sampson's buzzer-beating shot at the Forum. And in 1981, Houston beat the Kansas City Kings 4-1, winning the last game at Kansas City.

NBA Playoff Glance

Finals (Best of 7)
EASTERN CONFERENCE
New York-Indiana series tied 2-2
WESTERN CONFERENCE
Houston 94, Utah 83
Houston wins series 4-1
Last night's scheduled game:
Indiana at New York
Tomorrow:
New York at Indiana

World Cup tickets finally go out to fans

NEW YORK (AP) — Some have waited as long as 17 months, but at long last fans are getting their hands on their World Cup tickets.

World Cup USA 1994 began delivering the tickets this week, by commercial courier, to fans in the U.S. World Cup spokesman Jeff Idelson said yesterday that deliveries to international customers also have begun, or will in the next few days.

The tickets, while similar in style to those for other American events, are probably odd in appearance to most others outside the U.S. Unlike the more traditional paper tickets, the 1994 World Cup tickets are 9-by-2.5 inches and printed on a thin cardboard in yellow, red, green, white and purple.

World Cup chairman Alan Rothenberg said the different style from previous World Cups was to give fans a souvenir of their

experience. Each of the 3,650,624 tickets is printed with a hologram, or three-dimensional image, of the World Cup Trophy overlapped by the World Cup '94 logo. The hologram was one of several methods employed to prevent forgeries, World Cup officials said.

The tickets also have the World Cup logo, FIFA logo, game number, the opponents (if a first-round game), the venue and date, plus seat location.

World Cup tickets first went on sale in February 1993 to the American "soccer family" — a group defined as registered players, coaches and officials of the US Soccer Federation plus those who had attended national team games in the previous few years and had asked about ticket information.

Ticket sales to the general public began in June 1993.

Canucks draw first blood against Rangers



NEW YORK (AP) — Brian Leetch gambled and the New York Rangers lost, as Greg Adams took advantage of the

missing defenseman and gave the Vancouver Canucks the early lead in the Stanley Cup finals.

Adams scored with 33.1 seconds left in overtime — just seconds after Leetch hit the crossbar with a shot — and the Canucks won the series opener 3-2 Tuesday night.

The teams meet at Madison Square Garden again today before the best of 7 series shifts to Vancouver for Games 3 and 4.

Kirk McLean made 52 saves to beat the Rangers for the first time in his career. "They were pushing really hard for the whole overtime but it's pretty obvious that Kirk McLean won the game for us," said Cliff Ronning, who set up Adams' winner. "He kept us in the game. Our team was flat and our legs weren't there, but somehow we won."

Said Rangers coach Mike Keenan: "Vancouver stole the game tonight because of their goaltender, period."

Vancouver is 6-1 in playoff overtime games, New York 2-2.

Leetch, one of the NHL's best offensive-minded defensemen, pinched in from the point to take a shot from between the faceoff cir-



POINT-BLANK FIRE — New York goalie Mike Richter prepares to stop a close range shot by Vancouver's Greg Adams. (AP)

cles that beat McLean high to the stick side but clanged off the crossbar.

Vancouver came right back, with Pavel Bure getting the puck

to Ronning, who skated into New York's zone with only Esa Tikkanen back and found Adams alone at the edge of the right circle. Adams slapped the puck past

the glove of Rangers goalie Mike Richter.

Vancouver is 12-2 since losing three of its first four games of the playoffs.

Nets' Coleman says he's innocent

NEW JERSEY (AP) — New Jersey Nets star Derrick Coleman, the highest-paid professional basketball player, pleaded innocent Tuesday to charges he assaulted three teenagers outside a Manhattan nightclub.

Coleman was charged following an April 30 street brawl outside the club. His lawyer says he was not involved in the fight.

The teenagers claim they were attacked after one of them taunted the 6-foot-10 forward with comments like "the Nets can't hang with the Knicks," referring to the Nets' 91-80 loss to the New York Knicks in the first round of the NBA playoffs.

Coleman's lawyer, Herbert Rubin, said the only undisputed fact was that eight or more people, including the three teens, were "making taunting and provocative remarks."

"There was then a street fight involving these individuals and their friends on the one hand and persons other than Coleman on the other hand," Rubin said in a statement.

Coleman entered his plea in Midtown Court to two counts of third-degree assault and one count of second-degree harassment. The next hearing is scheduled for June 29.

The teenagers have also filed a \$8 million civil lawsuit.

SPORTS BRIEFS

Atherton English player of the year

England captain Mike Atherton was named as his country's player of the year on Tuesday, and then pledged to score more Test hundreds in the coming 12 months.

Atherton emerged from the recent series in West Indies with 510 runs at an average of 36.44 to follow his 553 runs at 46.08 in last season's Ashes Tests.

Atherton won the vote from a panel of judges including England's current team manager Keith Fletcher and their former wicketkeeper Bob Taylor.

Islanders' coach retires

Al Arbour, who guided the New York Islanders to four straight Stanley Cups a decade ago, retired from coaching yesterday after 19 seasons with the NHL club.

The 61-year-old Arbour, the second winningest coach in NHL history, made the announcement at a news conference, saying he would move back to the front office as vice president of hockey operations.

General manager Don Maloney said Arbour's duties will include scouting, personnel evaluation and the selection of his successor.

New events allowed for women

Two women's track and field events, the pole vault and the 2,000-meter steeplechase, will make their international championship debut at this summer's Goodwill Games.

Organizers announced the additions on yesterday, bringing the total of women's track and field medal events for the July 23 to August 7 Games to 22, equaling the number for the men.

The International Amateur Athletic Federation will officially recognize the world record for the women's pole vault for the first time in December.

By contrast, the 2,000-meter steeplechase is relatively new to the international scene. It will be run over barriers of the same height as those used for the women's 400-meter hurdles.

Both England and New Zealand need to regain credibility



NOTTINGHAM (AP) — With both countries desperately trying to regain credibility in international cricket, England and New Zealand have called up new faces for the first Test starting today.

In England's case it's by choice. In New Zealand's case it is with great reluctance.

A disastrous spate of injuries has hit the tourists in the lead-up to the Test at Trent Bridge, with main strike bowler Danny Morris-

son the latest casualty, a hamstring injury keeping him out of the Test.

His withdrawal, on top of injuries to Michael Owens and Chris Pringle, has forced the tourists to include erratic fast bowler Heath Davis for his first Test, a choice the selectors openly admitted they did not want to make.

Vice-captain and medium pacer Gavin Larsen also makes his Test debut at age 31, presenting England's strong batting lineup with a wayward, pedestrian and inexperienced attack.

"All the injuries have come at once," New Zealand captain Ken Rutherford said. "We took six medium pace bowlers with us, and

three will not be considered, it does lessen our options."

England, too, has its share of inexperience, with three new players named in its squad of 13, the first to be chosen for a Test by new selectors' chairman Raymond Illingworth.

Wicketkeeper Steve Rhodes was an unexpected choice, but all-rounder Craig White and left arm spinner Richard Stemp, both from Illingworth's former county, Yorkshire, are gamblers.

Both teams have not had a happy couple of years. England has lost its last four Test series to Pakistan, India, Australia and the West Indies, and a one-off Test to

cricket minnow Sri Lanka. New Zealand has won three and lost six of their last 13 Tests, one of those wins against Zimbabwe, another newcomer to the Test circuit.

"England haven't exactly set the world on fire in the last few seasons, and nor have we," Rutherford said. "We'll both be fighting to regain respectability."

New Zealand's batting is in good shape with centuries for Rutherford and opener Bryan Young and 52 from Shane Thomson in this week's drawn game against Essex.

Former captain Martin Crowe, one of the world's standout batsmen in the 1980s, has so far been

relatively quiet on tour, but invariably rises to the occasion.

But the New Zealanders will have to build a sizeable innings to give their weakened bowling attack some runs to bowl at.

Medium pacer Dion Nash and spinners Thomson and Matthew Harris have only 14 Tests between them.

Facing an opening pair of debutants in Larsen and Davis, England's batsmen, especially the quality Mike Atherton, Alec Stewart, Graham Gooch, Robin Smith and Graeme Hick, should find batting comfortable after the venom and pace of Curtly Ambrose and Courtney Walsh.

Boggs hits 6th homer as Yanks trounce Chisox

NEW YORK (AP) — Wade Boggs hit his sixth home run of the season — all of them since May 15 — and the Yankees trounced the Chicago White Sox 10-1 Tuesday night.

Boggs also had an RBI single and Gerald Williams homered as New York ended a two-game losing streak. The Yankees, with the best record in the majors, have not lost three in a row since the second week of the season.

Scott Kamieniecki (4-0) and Sterling Hitchcock combined to scatter seven hits. Kamieniecki pitched seven innings and gave up a home run to Ron Karkovics in the seventh.

Boggs hit a solo homer in the first inning off Alex Fernandez (5-6).

Royals 9, Red Sox 7

Mike MacFarlane made up for an error and getting thrown out at home by hitting a grand slam.

Brian McRae had the first five-hit game of his career with four singles and an RBI double in the ninth. He went 5-for-5 and scored once.

MacFarlane was hit by a pitch for a major league-leading eighth time before Greg Gagne's third homer of the year in the sixth made the score 7-4.

Tigers 7, Orioles 6

Cecil Fielder, Kirk Gibson and Junior Felix homered in a five-run fifth inning that lifted visiting Detroit.

Leo Gomez, Harold Raines and Mark McLemore homered for Baltimore, who have lost four of five.

Mike Moore (5-4) allowed four runs and eight hits in 5 1/2 innings, but still got his 150th career win. He is 150-155 in 13 seasons.

Detroit snapped a 2-2 tie in the fifth against rookie Mike Oquist (1-1).

NATIONAL LEAGUE

Rockies 3, Mets 2

Greg Harris allowed five hits in eight innings to lead the visiting Rockies.

Walt Weiss went 3-for-4 and drove in a run, and ex-Met Howard Johnson went 2-for-4 with an RBI for Colorado.

Harris (3-4) struck out three and allowed one walk before giving way to Bruce Ruffin, who got his fifth save.

Doug Linton (4-2) allowed six hits and three runs in five innings.

Shawn Hare and Jeff Keat had two hits apiece for the Mets.

Braves 6, Giants 3

Javier Lopez broke a ninth-inning tie with a leadoff homer as Atlanta rallied for the second straight day.

Matt Williams homered in the first inning, tying the NL record for homers in the first two months of the season at 19. The NL record was set in 1987 by Eric Davis of Cincinnati. Ken Griffey

Jr. of Seattle set the major league record with 23 this year.

Roberto Kelly hit a two-run homer in the seventh, his first since Atlanta acquired him from Cincinnati on Sunday for Deion Sanders.

Lopez hit his 10th homer on the first pitch from Dave Burba (0-4).

Mark Wohlers (4-0) pitched 1 1/2 innings, and Greg McMichael got three outs for his 10th save.

AMERICAN LEAGUE

East Division

New York 3, L 18 .633

Boston 28 19 .595

Baltimore 27 21 .563

Toronto 24 28 .460

Detroit 23 28 .479

Central Division

Chicago 29 19 .604

Cleveland 26 21 .553

Kansas City 25 24 .510

Minnesota 24 24 .500

West Division

Texas 23 28 .449

California 23 29 .442

Seattle 21 29 .420

Oakland 15 36 .294

Reds 5, Expos 4 (13)

Reggie Sanders led off the bottom of the 13th inning with his second homer to end the four-hour, 29-minute game.

Sanders worked Jeff Shaw (2-2) to a full count, fouled off a breaking ball and then hit a belt-high fastball well beyond the wall in center field for his ninth homer.

NATIONAL LEAGUE

East Division

Atlanta 31 18 .633

Montreal 28 22 .560

New York 26 26 .500

Florida 24 27 .471

Philadelphia 24 27 .471

Central Division

Cincinnati 29 22 .569

Houston 28 23 .551

St. Louis 22 27 .449

Pittsburgh 21 28 .429

West Division

Los Angeles 28 24 .538

San Francisco 28 27 .481

Colorado 22 27 .449

San Diego 18 34 .346

TUESDAY'S NL RESULTS:

Atlanta 6, San Francisco 3
Colorado 3, New York 2
Boston 5, Florida 3
Philadelphia 8, Chicago 7
Cincinnati 5, Montreal 4 (13)
San Diego 15, Pittsburgh 5
St. Louis 6, Los Angeles 0

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MK Avner Shaki
(Hanoth Guttman)

Ben-Yair closes investigation of Shaki

EVELYN GORDON

ATTORNEY-General Michael Ben-Yair will close two criminal files against MK Avner Shaki (NRP) without serving an indictment, the attorney-general's office announced yesterday.

The first case relates to Shaki's tenure on a ministerial committee on requests in 1990, when he was religious affairs minister. This committee was responsible for allocating money given to the state but not earmarked for any particu-

lar use. The panel allotted some NIS 1 million to three non-profit organizations whose founders included Shaki's wife, son, daughter and son-in-law. Shaki allegedly failed to tell the committee that his relatives were involved with these organizations, nor did he disqualify himself from considering their applications.

Though there is *prima facie* evidence that a crime was committed in this case, Ben-Yair said, three

factors eliminate the public interest in prosecution: the amount of time which has passed, the fact that the approved funds were never actually transferred, and the fact that the committee has since been replaced by a public commission headed by a district court judge.

"It is understood, however, that the decision does not constitute an

endorsement of this behavior," wrote Ben-Yair's office in a press statement. "The opposite is the case."

In the second case, from 1991, Shaki allegedly deposited money received for political activity into his own and family members' private bank accounts. In this case, Ben-Yair said, there was simply not enough evidence to justify an

indictment on charges of embezzlement, fraud and violating the public trust.

However, Ben-Yair added, such behavior is clearly unacceptable. "The lack of criminal liability ... does not stem from the moral propriety of these acts; it is merely due to the lack of evidence on the level of certainty needed for a criminal proceeding," the statement said.

Shaki yesterday said he had

been the victim of "false reports, lies and half-truths" and called on the media to be careful not to "hurl accusations at public figures which have not been checked and proven true."

"For four years I reiterated that all the charges against me are baseless, and I did not doubt my innocence for a minute," he added.

Dan Izenberg contributed to this report

Meshulam indicted with 12 followers

RAINE MARCUS

SELF-STYLED rabbi Uzi Meshulam was indicted on charges of illegal manufacturing and possession of weapons, aggravated assault, threats, conspiracy, endangering lives, assaulting policemen, and obstructing justice by Tel Aviv District Court yesterday.

He initially appeared in court on suspicion of espionage and attempted murder, but these charges were dropped.

Meshulam and 12 followers, also charged on similar counts, are to appear in court today, when the district attorney requests their remand until trial. Defense lawyers Haim Misgav and Shmuel Fleishman said they would ask for their release on bail.

Eight followers were released on bail yesterday by Tel Aviv Magistrates Court.

According to the indictment, the charges arose from a siege which began at Meshulam's Yehud home on March 22, after he objected to municipal construction nearby. He ordered his followers to block the street and to disobey police orders.

In the following days, the charge sheet states, the incident escalated into an ostensible protest against "the disappearance and sale of thousands of Yemenite children 40 years ago." Meshulam and some 100 followers barricaded themselves in the house with an arsenal of weapons, including M-16 assault rifles, Uzi submachine guns, pistols, grenades, bombs, firebombs, ammunition, knives, and axes.

His followers, allegedly acting on Meshulam's instructions, beat policemen and drew their pistols during a fracas. Meshulam alleg-

edly told them to "open fire and not to surrender," and ordered them to "shoot to kill" if police entered the house.

He also allegedly issued orders to throw four firebombs at Tel Aviv police chief Cmdr. Gabi Last and other officers. The bombs exploded and Last suffered slight burns. At the same time, reads the charge sheet, Meshulam, using an unlicensed pistol, fired shots in the direction of Last and other officers.

On April 3 police arrived at the house to summon Meshulam for questioning, but he refused to comply. Instead, he ordered his followers to construct a "fortress" and stockpile weapons to prevent his arrest. His heavily armed followers patrolled the site 24 hours a day.

When Meshulam was eventually arrested after Inspector-General Assaf Hefetz enticed him to "reach an agreement" at the Avia Hotel, Meshulam refused to order followers who remained at the house to surrender.

"There will be a lot of bloodshed ... They will use their arms ... I will not tell them to surrender," he told police.

Towards the end of the siege, "others, acting on Meshulam's instructions, fired at police and a police helicopter," read the indictment. One follower who fired on a police helicopter was shot and killed by police.

Police have numerous cassettes of video tape, filmed during the two-month siege, to be used as evidence. In addition, some 120 prosecution witnesses are listed in the indictment.



President Ezer Weizman receives a photograph from Turkish Air Force commander Gen. Ellis Bohan yesterday showing Turkish F-16s escorting Weizman's plane on his January visit to Turkey. At right is OC Israel Air Force Maj.-Gen. Herzl Bodinger. (Stein/Harari)

Debt-ridden towns and villages without services for three weeks

Arab local council heads hold motorcade demo

DAVID RUDGE and EVELYN GORDON

ARAB local council heads staged a noisy motorcade demonstration outside the Interior Ministry offices in Jerusalem yesterday to press the government to bail out their debt-ridden local authorities.

Municipal services in Arab towns and villages throughout the country have been shut down for more than three weeks, since Arab council heads declared a strike in support of their demands.

At the Knesset yesterday, Arab council heads said they would not end their strike until the government pledges to give them NIS 150 million over the next three years. Yosef Vanunu (Labor), chairman of the Knesset finance committee's subcommittee on the local authorities, told the local leaders the government is currently willing to promise only half this sum.

The council heads claim that more than 50 Arab local authorities have accumulated debts totaling over NIS 100 million. They are demanding that the government consolidate the deficits and increase the size of regular budgets by as much as NIS 100 million a year for the next three years to bring allocations in line with those in the Jewish sector.

Negotiations with the Interior Ministry to try to resolve the financial crisis have so far ended in deadlock. The council heads said the sums of money offered by the ministry so far were "too little."

The ministry, for its part, has accused the Arab council heads of

failing to honor agreements made four years ago to increase their own income, mainly from the collections of local taxes, by NIS 76 million a year.

Hussein Suleiman, spokesman for the forum of Arab Council Heads, accused the government of being totally apathetic to the plight of the councils and the Arab community in general.

"Council offices have been shut for over three weeks and all municipal services to the communities shutdown, but nobody seems to be concerned about us," said Suleiman.

"It's as if the Arab community in Israel doesn't exist. It's strange and insufferable," he said.

Meanwhile, several non-Arab council heads told the Knesset subcommittee that their municipalities are on the verge of financial collapse, despite the arrangement reached earlier this year between the authorities and the Finance and Interior ministries.

"Most of the council heads said that ... despite the arrangement, the authorities are collapsing," Vanunu said.

The council heads suggested that the Swary Report, which proposed a general framework for solving the problem, be abandoned, charging that it has provided only partial solutions, and that the deficits are continuing to grow. Instead, they said, each local authority's problems should be dealt with on an individual basis.

US expert: Pointless to store military equipment in Israel

ALON PINKAS

WITHIN the framework of its Persian Gulf security policy, the US hopes to store military hardware and ammunition close to the potential theater of operations, which is why storing it in Israel is pointless, according to Prof. Anthony Cordesman, a leading US defense analyst.

As part of the US-Israeli Memorandum of Understanding, the US currently stores relatively small amounts of ammunition here. This is an issue which also comes up in annual US-Israeli strategic cooperation talks.

Moreover, expanding the practice has been mentioned by senior IDF officers as one of Israel's possible demands as part of a security package in a peace agreement with Syria.

Speaking at a Jaffee Center for Strategic Studies symposium on "Between the Mediterranean and the Persian Gulf: US Defense Policy in the Middle East in the 1990s," Cordesman stressed that the US concept of fighting simultaneously on two fronts refers to Korea rather than the Middle East.

As for national security adviser

Anthony Lake's concept of the "dual containment" of both Iran and Iraq, Cordesman said: "We can only hope that economic problems keep both countries preoccupied with themselves."

Cordesman was formerly director of the defense intelligence assessment and the NATO-Warsaw Pact assessment group for NATO's international staff.

Adm. (ret.) William Smith, formerly the US representative on NATO's military committee and a former deputy chief of naval operations, said that US security policy in the post-Cold war Mediterranean requires a foreign policy guideline which is currently lacking. "Any sustained forward presence of US forces needs a strong national leadership," he said.

Namir threatens social workers with back-to-work orders

THE cabinet yesterday authorized the Ministry of Labor and Social Affairs to issue 710 back-to-work orders to striking social workers. The decision came in response to Namir's request, after she described for the ministers the mounting damage caused by the strike, today in its 43rd day.

Among the worsening conditions cited by Namir is the plight of minors, including abused children and some 1,000 children awaiting the attention of probation officers.

Of the back-to-work orders, 20 are for social workers in the Health Ministry, 212 are for those in the Labor and Social Affairs Ministry, and 488 are for social workers in the local councils.

Namir expressed hope that all 710 orders would not have to be issued before the social workers agree to return to work, saying the

gaps in the negotiating positions of the workers and the Treasury have narrowed significantly.

However, the Social Workers' Union yesterday rejected Namir's ultimatum, vowing to continue the strike until their wage demands are met. Union head Eli Ben-Gera said that if Namir goes ahead and issues the orders this morning, "this would be seen as the government's attitude toward social issues."

(Itim)

Judy Siegel adds: The Communications Ministry insists there is no proof that cellular phone transmitters cause cancer or any other health danger.

Ministry Director-General Shlomo Vax was responding yesterday to reports about concerns that the intensive cellular phone network to be installed by the Cellcom company will pose a health hazard.

Cellcom plans to build twice as many transmitting stations (mostly on rooftops) as used today by Pelephone.

Vax said the use of the portable phones and being exposed to electromagnetic forces from the transmitters are not dangerous.

"This matter has been investigated well abroad and no danger of any kind was proven," he said.

Liat Collins contributed to this report

MK accuses Satmar hassidim of inciting new immigrants

BATSHEVA TSUR

THE head of the Knesset's aliya committee yesterday called on the Jewish Agency to lodge a complaint with the police about the activities of the Satmar rebbe's followers among Yemenite immigrants.

Members of the veteran Yemenite community recently complained that several new immigrants were talked into leaving Israel by the Satmars who promised them financial help.

Committee chairman MK Emanuel Zissman (Labor) appealed to the Chief Rabbi to send a manifest to the Yemenite Jews in Israel, the US and Yemen condemning the Satmar activists' incitement against aliya. He was speaking following a committee debate on the subject.

"The Satmar followers make sure that their activities are within the law," Zissman noted. "Thus the police's hands are tied. I am surprised that, with all their intrigues and attempts, the Satmar activists have succeeded only in

getting 14 newcomers to leave." Zissman appealed to Jewish Agency aliya department head Uri Gordon to provide evidence of Satmar activities to the police. Gordon had told the committee earlier that olim who were barred from leaving the country had succeeded in evading Border Police controls.

Descriptions of how the Satmar followers operate were given to the committee by MK Avigdor Kahalani (Labor), who heads the "Ahi Li" (My Brother) - an association of veteran Israelis which helps immigrants.

The Satmars allegedly bribe some immigrants to persuade others that their children should learn in Satmar institutions where they are brainwashed, another Ahi Li member, Orna Boker, told the committee. "They use cruel and sophisticated methods," she said. "The parents sign documents handing over control of the children who then become hostages in the hands of the Satmars."

New sound planned for Radio One

LIAT COLLINS

IN AN attempt to attract more listeners, Radio One will revise its programming by putting an emphasis on Hebrew songs and shorter talks shows.

The changes were discussed at yesterday's Israel Broadcasting Authority plenum meeting. Before the meeting, Radio One employees complained that Israel Radio head Amnon Nadav intended to close the channel, a charge Nadav refuted.

The English and French news-

casts will continue to be broadcast on the station until the transmitters for the immigrant channel, Reka, are adapted for national reception, Nadav told *The Jerusalem Post*.

The plenum also authorized the new schedules for Channel 3, the satellite station. The station will soon begin broadcasting five hours a day in Arabic on those days when it does not carry direct Knesset broadcasts.

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